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NEWS SUMMARY

GENERAL BUSINESS

Vaccine report attacks DHSS

Equities up 6.9; Gold falls \$6

Military chief shot dead in Madrid

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Cambodia push

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Drugs haul up

Tanker on tow

Briefly

CHIEF PRICE CHANGES YESTERDAY

Industry hit as lorry drivers begin strike

BY NICK GARNETT, LABOUR STAFF

MANUFACTURING and service industries were facing major distribution difficulties yesterday as striking lorry drivers began widespread picketing of factories and many of Britain's major ports.

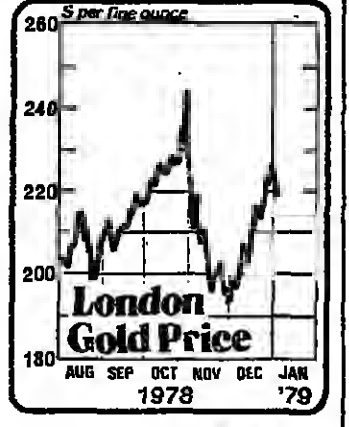
ers, however, could be worsened by effective picketing. Shell said some of its terminals were being picketed and drivers at some Esso depots are understood to have joined not to cross picket lines organised by tanker men from other companies.

Peak predicted in industrial capital outlay

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

CAPITAL SPENDING by manufacturing industry should continue to rise in real terms for at least part of this year, but should decline slightly in 1980, according to the latest Department of Industry intentions survey published yesterday.

INDUSTRY'S CAPITAL INVESTMENT (£m, at 1975 prices) Distribution and services (excluding shipping)



London Gold Price

Greengrocery prices soar

VEGETABLE prices have doubled—and in some cases trebled—in the past few days because of the effects of frozen fields, blocked roads and the threat of the lorry drivers' strike.

Accounting firms discuss forming international group

BY MICHAEL LAFFERTY

DISCUSSIONS which could lead to the formation of one of the five largest accounting groups in the world are taking place in Europe and North America. The talks involve some of the largest accounting firms outside the 'Big Eight' which dominate the U.S. and international accounting businesses.

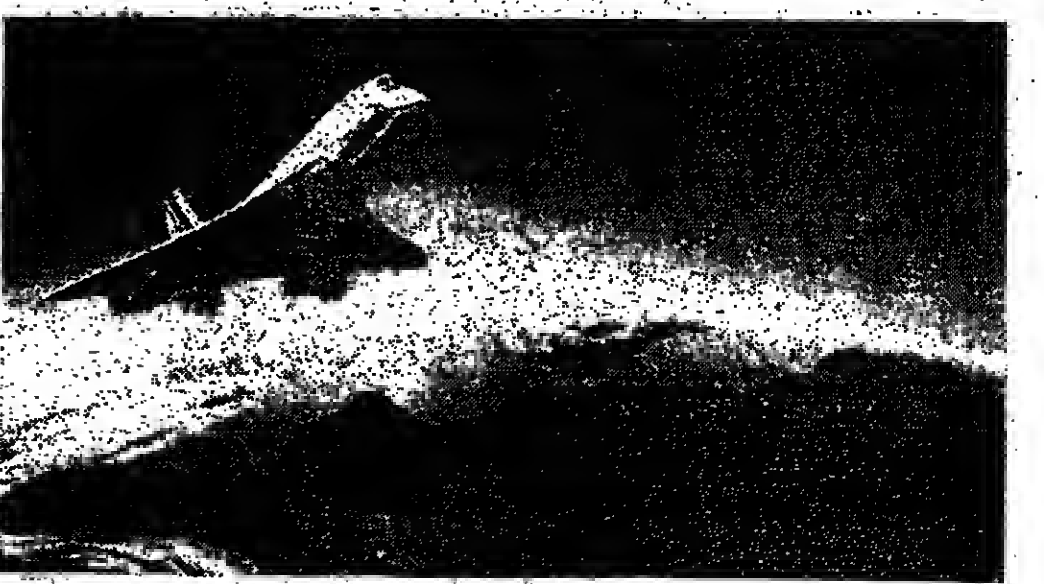
Norcros plans £28m takeover

BY ANDREW TAYLOR

NORCROS, the diversified industrial group which owns Hygena furniture, announced plans yesterday for a £28.8m takeover of H and R Johnson-Richards Plc.

L'Entente Concordiale

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EUROPEAN NEWS

Steel talks resume as IG-Metall halts more plants

BY ADRIAN DICKS IN BONN

WEST GERMAN steel employers and leaders of IG-METALL, the steelworkers' union, resumed formal negotiations yesterday aimed at settling the five week-old dispute that has now made half the industry idle in the North Rhine-Westphalia, Bremen and Osnabrueck bargaining regions. Yesterday evening, it appeared likely that the discussions would continue late into the night. Before the two sides sat down to talk under the neutral chairmanship of Herr Friedhelm Farthmann, the North Rhine-Westphalia Labour Minister, IG-Metall brought a further three big steel plants, employing some 20,000 men, out on strike. A total of 57,000 union members are on strike, with a further 43,000 workers either made idle or locked out by their employers. There was no direct comment by the employers' side on the extension of the strike, and no suggestion that it would be met

by a "symmetrical" widening of the lock-out, at least while the new negotiations are under way.

The talks were believed to be concentrated on a compromise plan put forward by Herr Farthmann last weekend. This would fall short of the "first step" towards a 35-hour working week for which IG-Metall has been striking, but would give close to half of the steel labour force extra, paid shifts as well as three more days' annual holiday and an average 4 per cent pay rise for all.

These terms, with the emphasis on night-shift men and no older workers, are considered by observers to be a substantial improvement on the earlier compromise plan by Herr Farthmann which the union side rejected in the middle of last month. It has been estimated that the package now under discussion would add about 5.7 per cent to wage costs.

Crippled tanker heading for Portuguese waters

BY ROBERT GRAHAM IN MADRID

THE CRIPPLED Greek super-tanker, Andros Patria, with its cargo of 208,000 tonnes of crude oil, was being towed by two tugs towards Portuguese waters last night. Four Dutch salvage experts were on board to assess how to save the vessel and prevent pollution of the rich shellfish beds along the Galician coast.

The tanker was being towed at two knots last night and was reported to be some 100 miles out to sea and close to the division between Portuguese and Spanish territorial waters. A Portuguese naval vessel was at the scene together with a Spanish corvette.

BP has sent British Promise, a 250,000-tonne tanker in ballast, to the stricken ship to help in any way it can, including the offloading of crude. That it what all parties involved would like to happen, but such an operation cannot take place at sea without serious risk. Until now, neither the Spanish nor the Portuguese authorities have been willing to permit such an operation, either in calm waters close to the coast or in a port.

Talk of the Andros Patria being towed in its present state to a Lisbon drydock is regarded as premature, especially as the dock is inside the mouth of the River Tagus.

Cautious French attitude to policing the Channel

BY TERRY DODSWORTH IN PARIS

M. JOEL LE TREULE, the French Minister of Transport, warned yesterday that it may take several years to work out adequate policing methods for shipping in the Channel.

depend on more detailed studies. These are being undertaken in collaboration with Britain with a view to creating an integrated system covering the whole stretch of sea.

Speaking at a news conference in Paris, he said that much will depend on the effectiveness of the new Anglo-French scheme for locating vessels entering and using the Channel which came into effect on January 1.

The minister also disclosed that the French authorities are studying various problems raised by the growth of the pleasure boat fleet in France. This has expanded from 205,000 vessels in 1968 to 452,000 last year. Among the principle concerns of the ministry is that the fleet as a whole is inadequately insured.

This project is designed to give the authorities a clearer picture of the movement of ships carrying certain kinds of dangerous cargoes. These vessels can report to stations being set up in the UK and France.

Only about 65 per cent of new sailing boats take out insurance, and 51 per cent of motor boats. There are indications that an official study group will come out in favour of tighter insurance regulations to cover the rising costs of rescue and safety operations.



Gen. Alexander Haig

Gen. Haig resigns NATO command

Giles Merritt in Brussels

GENERAL Alexander Haig, Supreme Commander of the Allied Forces in Europe, is to resign from his top NATO position on June 30. In a brief statement General Haig (54) said he had "no immediate plans" to embark on a political career when he returns to the U.S.

The announcement comes after almost a year of speculation that he might be a potential Republican presidential candidate in the 1980 elections. But his decision to step down in six months time has nevertheless come as a surprise as it was made public during the course of an otherwise routine New Year Press briefing on military developments during 1978.

General Haig said he was allowing a six-month interval to give time for his successor to be found. He had originally wanted to step down in the middle of last year, but following discussions last February with President Carter and Mr. Cyrus Vance, U.S. Secretary of State, he had agreed to remain for a further year.

The identity of General Haig's successor is unknown and NATO observers say there is no obvious candidate. But it is certain that the position will once again be filled by an American, for in addition to being overall commander of NATO forces grouped in the 15-nation alliance, the Supreme Allied Commander commands the 200,000 U.S. troops in Europe.

In spite of misgivings among some of the European allies, notably the Netherlands, when he was appointed in September 1974, General Haig is considered to have made a very substantial contribution to increasing NATO's effectiveness.

Within NATO, General Haig is widely considered to have developed the role of Supreme Commander. In contrast to his predecessor, General Andrew Goodpastor, General Haig added a political dimension to his duties that is believed to have been an important element in the strengthening of NATO conventional forces.

Jurek Martin adds from Washington: Gen. Haig's name has cropped up regularly in recent weeks as a possible contender for the Republican Party's presidential nomination next year in what is threatening to become an extremely crowded field.

His chances of success should be made a move, do not appear on the surface to be overly bright, since he would have to start campaigning extremely late. However, in the event of a deadlock in the course of the primaries in the spring of next year, he might appear as a compromise candidate.

Bonn government an unwilling industrialist

BY GUY HAWTIN IN FRANKFURT

FEW GOVERNMENTS in Europe are so fundamentally opposed to the concept of nationalisation as the Federal German Government. In this matter, the ruling Social Democrats see eye-to-eye with both their Free Democratic coalition partners and the Christian Democratic opposition.

But although the ethos of the West German social-market economy remains robustly private enterprise in character, the Federal Government, itself, has substantial investments in industry—investments it sometimes shares with private shareholders.

The history of these shareholdings is diverse. Some were inherited from previous governments when the Federal Republic was established after the last world war. However, despite the prevailing government philosophy that the private sector should solve its own problems—indeed, lame ducks get little official sympathy here—some of the holdings have been wished upon it.

Figures published by the West German Finance Ministry show that the Federal Government

owns holdings of up to 80 per cent in some 600 concerns, from energy utilities to heavy industrial operations such as aluminium smelters.

While by no means all of the federal Government's investments show a profit, last year it received some DM156m (885.2m) in dividends. In 1977 its earnings from its industrial shareholdings amounted to some DM116m.

The Government's holdings are widely spread. For instance, it owns the national air carrier, Lufthansa, and naturally is also the sole owner of the federal railway system, the Bundesbahn. It also has holdings in dock and harbour operations.

Veaba, West Germany's largest industrial concern, counts the Government as its largest shareholder. Just under 44 per cent of its about DM1.4bn share capital is in Government hands, with the rest widely spread in the private sector.

The Veaba group's interests are broadly concentrated in the energy sector, although it is also a major chemicals producer and glass manufacturer. For

1977 Veaba's dividend was halved from 1976's 12 per cent to 6 per cent after a hefty drop in profits, but this year things look much brighter with a 43 per cent profit growth in the first three quarters.

Veaba, at least, shows the Government some return for its money as opposed to the Bundesbahn which loses in real terms up to DM15bn annually, or its investment in aluminium smelting operations which have shown little but losses for many years.

Altogether the federal Government has stakes in concerns which control a substantial slice of the basic raw materials that keep German industry ticking over. They control 9 per cent of the country's domestic oil supply, 10 per cent of coking coal and crude steel production, 11 per cent of black coal output, 12 per cent of crude iron capacity, 14 per cent of all shipbuilding and 20 per cent of all power generation.

In certain sectors, concerns in which the Government has holdings exert an even greater control over industrial branches.

Salzgitter, which is 100 per cent owned by the federal Government, controls some 80 per cent of West German iron ore extraction. Furthermore, the aluminium smelters in which the Government has stakes account for 50 per cent of total West German capacity.

The Government is also a major shareholder in Volkswagen—surely, the very epitome of the "economic miracle." VW accounts for almost a third of all private cars registered in the Federal Republic and the Federal Government owns 20 per cent of its equity, with a further 20 per cent owned by the State Government of Lower Saxony.

The Federal Government's industrial holdings are, in fact, concentrated in six major concerns—Veaba, Vereinigte Industrie-Unternehmungen (VIAG), Salzgitter, Saarbergwerke, Volkswagen and Industrie-Verwaltungs-GmbH. Their subsidiaries account for many of the 600 concerns in which the Government has holdings. Additionally, of course, there is the Bundesbahn, Lufthansa, Frankfurt airport, and the

Kreditanstalt fuer Wiederaufbau, the banking operation set up to provide finance for West Germany's post-war reconstruction.

At the end of 1977 the federal Government had holdings in some 91 private or publicly quoted concerns with a total nominal capital of DM 8.4bn. The Government stake amounted to DM 4.2bn, or 55 per cent of the total.

The six leading concerns at the end of 1977 had an aggregate turnover of DM 66bn, of which Veaba and VW alone accounted for some DM 52bn. This year the Government's industrial holdings should show a turnover of some DM 70bn and its capital investment in its industrial empire last year is expected to total DM 4bn.

But the German Government remains a largely unwilling industrialist. It has shown no real enthusiasm for increasing its holdings and on a number of occasions has made it clear to companies in trouble that—no matter how important they are—they can expect no Government assistance.

Spain and vatican in new accord

By Robert Graham in Madrid

SPAIN was due yesterday to initiate a new era of relations with the Vatican with the signature in Rome of four agreements that replace the Concordat of 1953. The agreements, which took more than two and a half years to negotiate, will form the basis of the relationship between the Spanish Roman Catholic Church and the State.

They cover the Church's legal status, the role of religious education in national life, the position of religion in the armed forces, and state support for the Church and its institutions. The newly-approved Spanish constitution recognises religious freedom, but also the Roman Catholic nature of Spain, so retaining a certain ambiguity in the relations between Church and state.

The state has agreed to phase out over three years its direct annual subsidy to the Roman Catholic Church. This will be replaced by a special form of "religious tax." People will be asked to state their religion on their tax forms, and whether they are willing to pay a portion of income—say 1 per cent—to the Roman Catholic Church or any other recognised religion. For those who are not members of a recognised religion, the deduction would go to some approved charitable cause.

The legal aspects of the new relationship mainly concern the definition of competence of Spanish versus canon law, Church marriage, for instance, is recognised by Spanish law, but where there is a case of divorce or legal separation, the state has reserved the right to be the ultimate arbiter.

One of the most delicate issues in the negotiations was that of religious education, over which the Roman Catholic Church was anxious to retain its powerful hold. The new agreement, however, in recognising freedom of religion, has declared Catholic religious education to be non-compulsory.

Cold wave brings disruption to East European economies

BY LESLIE COLLITT IN BERLIN

THE ECONOMIES of Eastern Europe are being seriously disrupted by heavy snow. Electricity and gas production is worst affected, and industry throughout the region is receiving below-normal supplies of power. In steel plants, all available electricity is being used not to smelt steel but simply to maintain the temperature levels in blast furnaces to prevent permanent damage.

Shivering people from Poland across East Germany, Czechoslovakia, Hungary to Bulgaria are experiencing periodic shutdowns of electricity, while gas is turned off for longer periods. Herr Heinz Ziergiebel, East Germany's deputy Minister of Coal and Energy, said conditions in East Germany's vital open-cast lignite mining pits are the worst in his 30 years' experience.

Brown coal in East Germany and to a large extent in

Czechoslovakia is used to produce nearly all electricity, as well as household gas, steam for central heating and briquettes to heat individual houses. But brown coal production in East Germany has been dropped to only one-third of normal in recent days.

A division of East German soldiers and 120,000 miners, together with police and civilians, are working round the clock to repair damaged mining equipment, such as a torn conveyor belt that crippled a 590-yard-long bucketwheel monster at Espenbahn, which normally strips away the brown coal 24 hours a day.

Although East Germany and Czechoslovakia have plentiful sources of fuel—even if it is low-energy lignite—and can use oil from the Soviet Union exclusively for the chemicals and plastics industries, dependence on brown coal can be a hazard at a time such as this.

The frozen coal from the pits now has to be piled loose from railway cars with jets of hot steam, or hasted out. Banks of jet engines are also used in the thawing sheds of power stations to break apart the frozen lignite. But that are often found to use up more energy than can be produced by the lignite.

Polthoro appeals are going out to East Europeans not to allow the loss in industrial output to affect this year's economic plan targets, which in most cases were already lower than in past years.

Messages of encouragement from thousands of East Germans have been organised into labour units aiding rescue workers and the army in helping the many people cut off from electricity, food and medical supplies in the northern part of the country. Fresh snow is falling in the area, and the locals are helping to dig out stranded trains and unlock frozen switching equipment.

Cost of pollution control to rise

BY DAVID FISHLICK, SCIENCE EDITOR

BY 1985 it will be costing European countries an additional \$1.55bn-\$1.5bn to operate pollution control measures in order to maintain present levels atmospheric emissions of sulphur from the burning of fossil fuels, according to an OECD study.

This will be the cost of removing a further 6m tonnes of sulphur dioxide from coal and oil, or from their combustion products, in order to maintain emissions at their existing level of 20m tonnes a year.

However, if Europe wants to reduce its sulphur dioxide emissions to the maximum practicable extent, the annual operating cost will be about \$4bn.

fuel supply proposes that a "standstill" policy on sulphur emissions could be implemented by 1985 by taking three courses of action.

One would be to wash all hard coals, reducing sulphur dioxide emissions by about 1m tonnes a year, at an estimated operating cost (1985) of about \$350m.

Another would be to install fine gas desulphurisation on all new (post-1974) boilers of more than 100MW fired by lignite, thus reducing sulphur dioxide emissions by another 1m tonnes a year, at an operating cost of \$300m in 1985.

The third course of action would be either to restrict the burning of high-sulphur (4 per cent) fuel oil to new (post-1980)

power plants having fine gas desulphurisation, or else to reduce the sulphur content of the oil to 0.5 per cent. Either option would reduce sulphur dioxide emissions by about 4m tonnes, at an annual cost of \$1bn-\$1.25bn.

According to the study, there is urgent need to reduce sulphur emission because of its adverse effects on health, vegetation, forests, rivers, lakes and materials. The ability of this source of pollution to migrate over long distances and across national boundaries has now been proven, it says.

Clean fuel supply, pp. 103, published by the OECD, 2, rue André-Pascal, 75775 Paris, CEDEX 16. £3, £6.25, FF7.25.

Irish tax disparity revealed

By Our Dublin Correspondent

THE LATEST Irish Government exchequer returns seem likely to give added weight to the voices within the labour movement which are arguing against any negotiations on wage restraint for the coming year.

The natural antipathy between Irish urban and rural dwellers has increased in recent years because of a feeling that the industrial worker and salary earner is paying more than his fair share in taxes when compared with the farmer. The returns for 1978 tend to bear out that argument.

Despite the growing prosperity of the agricultural community since Ireland joined the EEC, the proportion of tax revenue contributed by PAYE workers has risen again and now stands at 86.5 per cent of the total income tax bill.

The farming community, which is reckoned to have received more than \$800m as a result of EEC membership, contributed 82m in taxes in 1978, compared with \$523m from PAYE contributors. The fact that the farmers' bill will probably come out at £21m for the full tax year is unlikely to lessen PAYE workers' resentment.

However, farmers may find themselves paying more tax after this month's budget because it seems unlikely that any Irish Government will continue to ignore the disparity. In other words, the returns contain a fair measure of consolation for the Government. They are close to last year's forecasts, and the current deficit is just 27m less than the \$490m forecast.

In addition, the Government's borrowing requirements have been made much easier by unprecedented foreign investment in Irish Government stocks during 1978.

RHINE-MAIN-DANUBE WATERWAY

The last 50 miles of Charlemagne's ditch

BY FABIAN ACKER

HIGH UP in the hills south-east of Nuernberg, workers are finishing the latest section of a European canal which will eventually connect Rotterdam, on the North Sea, to the Black Sea. The hollards are already in place along the 25 metres deep cement-lined ditch, nearly 350 metres (about 1,150 feet) above sea level, although the first barge will not pass through until 1985.

The idea of linking the Rhine-Main river system to the Danube was suggested by Charlemagne. Even after Ludwig I of Bavaria dug the first canal to join them in the 19th century, the project was commonly known as Charlemagne's ditch. The Danube flows roughly south-eastward towards the Black Sea, and the Rhine north-westward towards Rotterdam and the Atlantic; to tie the two systems, a canal only 171 km (about 113 miles) long is needed.

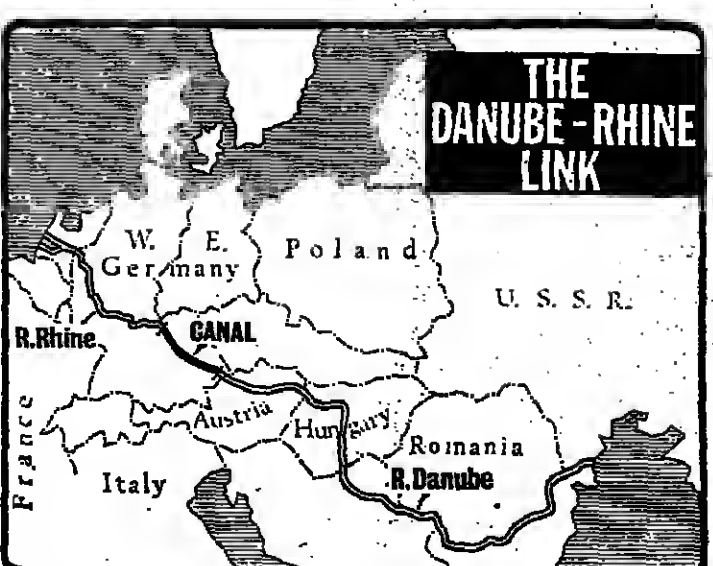
The biggest problem is not the distance between the Main and the Danube, but the hills of the Franconian Alps between. To join the highest point of the Main at Bamberg and the corresponding highest point on the Danube at Kelheim, the canal must first climb 170 metres (about 560 feet) and then descend 70 metres.

Although the canal is the key element in the whole system, the three rivers also need to be developed to allow traffic to move freely along the route of 3,500 km (about 2,100 miles). Much work has already been completed on the Main, the Rhine, and the Danube in Germany and Austria and the East European countries through which the Danube flows (Czechoslovakia, Yugoslavia, Hungary, Bulgaria, Romania and the Soviet Union).

To complete them, a series of pumps are to be installed, or are in the process of being installed, at various locks on the Danube side of the hills. Each pumping station will comprise five mtr. shafts, three of which will be used to transfer water to the Rhine-Main system, via the canal, for irrigation purposes, and two to keep the canal topped up for navigation. Ten of the 11 locks on the Nuernberg side of the canal will have small storage reservoirs alongside. When a ship is lowered from one level to another, 60 per cent of the water will not flow into the canal but will be held back in the reservoirs. It will be used to refill the lock before the next vessel comes in, so that only 40 per cent of the lock's requirements need be taken from the canal.

The Danube has a fairly healthy flow, but on the Main sometimes the rate drops so low that agriculture in the area is put in jeopardy. It makes sense, therefore, to use the Danube to help boost supplies when necessary. When the Danube flow is only adequate to support its own navigational and agricultural needs, the Rhine-Main will be fed instead from a reservoir now being built at Brombach.

The small river that feeds this reservoir, the Altmühl, will also feed the canal on the Danube side of the Jura range, so that ample river control can be used to fill the reservoir in spring time, and then allow the excess water to feed the canal for the rest of the year. To give the level an another 60 cent, two dams will have to be built across it, as well as some other civil engineering works.



Much of the energy that is consumed in pumping will be recovered eventually, although nobody is quite sure just how much it will be. Many of the locks on the Main have small hydropower units. As water is fed into the river both from natural sources and by the Danube via the canal, hydro-generators will utilise the flow.

In fact power generation will pay for the construction of the German part of the canal-river system. A company was formed by the German and Bavarian governments in 1921 to build the canal with money raised from hydropower on certain designated rivers, part of the Main, the Danube, the Altmühl and the Lech. Altogether, 48 hydrostations have been built, with an installed capacity of 400 MW which generate about 2.4bn kWh in an average year.

Another four stations are planned or are under construction, and they will add an eventual 400m kWh a year.

The company can use the profits from its stations to finance the canal until 2080, when it will be dissolved and the stations handed over to the principal shareholders, the Federal and Bavarian governments.

The company gets some interest-free loans from the Federal and Bavarian Government, which it has to repay from its income. As each section of the canal is finished it is handed over to the shareholders which may levy fees on shipping. The Rhine and Danube are considered international waterways and no charges may be levied on craft. The canal and the Main are not. Each vessel

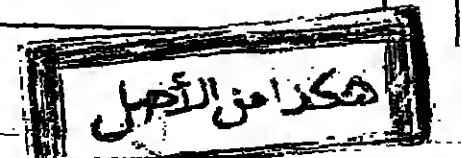
which uses that part of the system will be charged.

Traffic on those sections of the rivers which are to be linked by the canals has already increased, mainly as a result of widening, deepening and water control. Traffic on the Main increased from 4.5m tonnes in 1955 to 26.1m tonnes in 1973. However, the difficult economic climate of the past few years caused the tonnage to contract slightly to 21.5m tonnes in 1977. That part of the Bavarian Danube which has been developed carried 3.1m tonnes in 1975, 15 per cent more than in 1973, but below the 4m tonnes reached in 1970. This section of the system was adversely affected by a number of dry years which reduced the draught, and thereby the number of vessels using it.

Other countries on the Danube are working on improving its navigational properties, although some objectors feel, at the expense of its natural beauty. Certainly Austria is battling with the environmentalists over certain planned dams. Farther east in Europe development appears to be less vigorous. The Danube is navigable by certain craft all along from Austria to the Black Sea, but the 1,350-tonners which can negotiate the Rhine-Danube Canal cannot negotiate the more difficult passages downstream in Hungary.

All the same, by 1985, Charlemagne's Ditch will finally be completed spanning 2,000 miles across Europe and 11 centuries.

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AMERICAN NEWS

West considers aid cut to force changes in Guyana

BY HUGH O'SHAUGHNESSY

WESTERN GOVERNMENTS unhappy about the political situation in Guyana, are debating whether to cut aid to the country in an effort to persuade the Government of Mr. Forbes Burnham to adopt more orthodox political processes.

Western, particularly British, unhappiness with Mr. Burnham arises from persistent reports of fraud in the referendum held in July. While the Government claimed a very large majority in favour of the scrapping of various constitutional safeguards, opponents of the Government claim that turnout was small and support minimal.

Claims of electoral fraud echo similar reports which circulated after the general elections of 1968 and 1973. Both those polls were won by Mr. Burnham's People's National Party (PNP).

Western Governments are also concerned at the continuing racialism in Guyanese politics. Majority support for Mr. Burnham and the PNC comes from the Negro community, to which it is claimed the Government is excessively partial, while much support for the Marxist opposition People's Progressive Party (PPP) comes from the East Indians.



Mr. Forbes Burnham, Prime Minister of Guyana

meats relish the prospect of rule by the Moscow-line PPP and its leader, Dr. Cheddi Jagan, they are becoming increasingly impatient

Officials suggest that if existing political practices remain unaltered in Guyana, Mr. Burnham's chances of obtaining further finance under the Carib-

bean Development Facility may be blighted.

The facility was established in the middle of last year by Britain, the U.S., Canada, Venezuela, Colombia, France, the Netherlands, Norway, the World Bank, and the OPEC Special Fund. Some \$120m has been pledged to the Caribbean for the year to June, 1979. The facility is manned and administered by the World Bank.

Guyana is the second biggest beneficiary of the facility in the current year, receiving \$23m against the \$53m which went to Jamaica. The facility provides mainly programme aid, which is more easily and quickly available than project aid.

Fears that Mr. Burnham could turn to the Communist world for money were dispelled last year after Mr. Burnham returned from a tour which included Peking and Moscow without bringing back any major pledges of financial assistance.

Little more has been heard of the idea floated in Guyana in 1977 that the country be linked with Comecon, though shortly before the Jonestown affair last November, Guyana signed a cultural agreement with Cuba.

Schlesinger confident about oil supplies

By Jurek Martin, U.S. Editor, in Washington

THE UNITED STATES should be able to negotiate the next six months without Iranian oil supplies reasonably well but might need to take additional conservation measures in the summer if a more protracted Iranian shutdown seems likely.

Dr. James Schlesinger, the Energy Secretary, told a Press conference yesterday that the Iranian situation was "serious but not critical" from an energy standpoint. Iran supplies the U.S. with about 5 per cent of its oil needs, equivalent to about 500,000 barrels a day.

But a combination of factors, including increased output by other nations, reducing existing stocks and voluntary conservation, should more than compensate for the immediate loss. Dr. Schlesinger noted, though without much apparent confidence, that conservation alone (observing the 55 mph speed limit and turning down home heating thermostats) could save 600,000 b/d.

But he said, a severe depletion of existing stocks could mean that the U.S. would be ill-equipped to deal with demands next winter, if Iranian production was not resumed.

Dr. Schlesinger said he thought Iranian oil would begin to flow again as soon as political stability was restored and that this should take place by mid-year. But he agreed that Iran needs would have to be met first and that there was good reason to suppose that a production would not be resumed at pre-disaster levels.

Generally, the Energy Secretary declined to be drawn into what sort of additional measures would have to be taken or whether the problems in Iran would affect the policy decisions on energy already before the Administration.

He did say, however, that one of the options for increasing oil production might have to be postponed until it was clear that the country was not facing severe oil shortages. The Administration has to determine by midsummer what it will recommend when current controls expire.

Dr. Schlesinger pointed out that stand-by petrol rationing plans already existed, although they have not been ratified by Congress, and that the next week the Department of Energy would be publishing additional plans for the allocation of oil supplies. These would also be stand-by plans, but the Energy Secretary seemed to indicate that they might be employed if necessary. Informal allocation of supplies to refineries already dependent on Iranian crude was more likely, he suggested.

If Iranian wells are still shut down by the summer, Dr. Schlesinger said that international action on the allocation of supplies, presumably under the auspices of the International Energy Agency, would have to be entertained.

He said there was no question but that the U.S. would honour its 1975 treaty obligation to Israel to supply it with crude oil if its principal supplier, Iran, was unable to deliver. He suggested that, given the present oil supply surplus on the U.S. West Coast, North Slope Alaskan oil could be shipped to Israel.

Saudi Arabia, he said, had been helpful in increasing its oil production in recent months. But Mr. Schlesinger argued that the Iranian problem essentially underlined the extent to which the global system of oil supplies was already stretched taut and the extent to which the U.S. was rendered vulnerable by its dependence on that system.

WORLD TRADE NEWS

A. Bell links with PepsiCo to boost U.S. whisky sales

BY PAUL TAYLOR

PEPSICO, the U.S. soft drinks and snack food group, has joined Arthur Bell and Sons, the Scotch whisky distiller, in a ten year drive to boost sales of Bell's whisky in the U.S. and increase the company's market share. Together the two companies are to invest a minimum of \$5m (2.44m) during the first five years of the campaign.

PepsiCo Wines and Spirits International, a division of the PepsiCo group, has been appointed sole agent for Bell's Scotch Whiskies and Puftown-Glenlivet from January 1. Bell's whisky is the biggest selling brand in the UK with about 25 per cent of the market.

The link-up with PepsiCo follows the expiry of an agency agreement with Beam Distilling at the end of last year. There has been concern within Arthur Bell that while the company has continued to raise its UK market share and increase exports, it has failed to make a significant impact on the U.S. market.

The U.S. is the largest Scotch

whisky market in the world currently estimated to be about 20m cases (240m bottles) a year or 30 per cent of world sales. However, despite a major advertising campaign last year, Bell's whiskies still have less than 1 per cent of the market, well behind brands such as J and B Rare, Dewars and Cutty Sark which claim annual sales of about 2m cases each.

The highly competitive nature of the U.S. market has made it particularly difficult for Bell to change this position. However the company will now be looking for a repeat of its success in other export markets where its volume sales have been rising by more than the average growth in industry figures.

Mr. Raymond Miguel, chairman of Arthur Bell and Sons, said yesterday that the company would hope to increase sales of Bell's whisky in the U.S. to over 1m cases a year within the next 10 years, giving the company a 4 or 5 per cent market share.

To this end the company has recently put together a team of

top sales executives in the U.S. who will now work alongside PepsiCo in the sales drive.

Following the expiry of the agency agreement, Arthur Bell had intended to handle the U.S. sales drive itself, however Mr. Miguel said the company had been approached by PepsiCo and was impressed by PepsiCo's enthusiasm for the products.

The weight of the new sales drive will be placed behind the Bell's brand which will continue to be bottled in Scotland and sold as a "standard" brand rather than a de luxe or cheaper whisky. The Bell products will be marketed through PepsiCo's Monsieur Henri Winea selling organisation.

Mr. Miguel said his company would be investing \$1m a year in the project, including the cost of the team of sales executives, and that during the next five years "a minimum of \$1m a year" would be spent by the two companies together.

Arthur Bell shares moved up sharply on the London Stock Exchange yesterday on news of the company's U.S. initiative.

India may spend £100m on UK mine equipment

By John Lloyd

RAPID EXPANSION planned for India's coal industry, involving the expenditure of more than £100m over the next five years, could lead to orders for British manufacturers of mining equipment of around £100m.

A team largely composed of mining engineers from the National Coal Board will go to India in two weeks' time to examine the possibilities of longwall working—a technique in which the NCB is a world leader—in some 25 Indian collieries.

The team will be led by Mr. Harold Rhodes, a director of the NCB subsidiary British Coal International. It will include four representatives of the Association of British Mining Equipment Companies (ABMEC) but Mr. Rhodes emphasised that the trip was a consultancy project rather than a commercial one.

The Indian coal industry—which is almost wholly nationalised—has set an ambitious growth target over the next five years, to rise from an estimated 106m tonnes in 1978 to 153m tonnes in 1985-86.

Besides the development of longwall faces, the Indians also want advice on general colliery mechanisation, with a view to selecting some 12 collieries as models for mechanisation.

They are also interested in coal loading systems, to speed up the despatch of transportation of coal wagons from mines to power stations and other destinations. Most loading of coal is presently done by hand.

The NCB has already assisted in the development of an extensive longwall face at a colliery at Moonidih, in Northern India. The face now produces up to 1,000 tonnes of coal a shift, considerably higher than the standard rate for the industry.

British mining equipment manufacturers supplied between £3m and £4m worth of machinery to Moonidih, under a line of credit extended by the Ministry of Overseas Development.

The line of credit remains available and it is thought that the Indian Government will be ready to make use of it to help achieve its production targets over the next five years.

Garment aid withdrawn

NEW DELHI — The Indian Government has withdrawn cash compensatory support for export of cotton garments to countries with textile import quotas, the Economic Times newspaper reported here.

The withdrawal of cash aid for popular items like shirts, blouses, dresses, skirts and trousers exported to the European Community, the U.S., Sweden, Norway, Austria and Finland follows a big rise in Indian exports.

Volkswagen breaks Big Four's domination of U.S. car market

BY DAVID LASCELLES IN NEW YORK

THE BIG FOUR U.S. car manufacturers' domination of the domestic market was finally cracked in December by Volkswagen, which nudged out American Motors Corporation (AMC) to become the country's fourth-largest seller of domestically-produced cars.

Although this had been expected since VW opened its U.S. plant in Pittsburgh last spring, it highlights the fast-growing popularity of the small cars in which VW specialises.

According to sales figures for December 11-20 released yesterday, VW sold 2,808 domestically-made cars, compared with AMC's 2,429, giving VW a lead of just under 400 units.

Total car sales by domestic producers during the period

were 214,618, which means that VW and AMC combined were only battling for about 2.5 per cent of the market. Nevertheless, VW is expected to increase its sales further, initially at AMC's expense, although later it may take business away from the giants, as smaller, more fuel-efficient cars gain popularity.

VW's success last month was helped because AMC, by far the smallest established U.S. company, is grappling with declining sales and an inability to compete with the big companies. AMC's latest car sales figures are 42 per cent down from last year, and production has also fallen.

Two weeks ago, AMC announced it was cutting the prices of its major models to

increase sales, and yesterday it raised the prices of its larger-capacity cars to improve the price differential between them and its economy models.

VW, on the other hand, which is producing just one model, the Rabbit (sold in Britain as the Golf), from a new production plant, has moved to its present strength from no market at all. It is also importing diesel-powered Rabbits and other models, bringing its total sales for December 11-20 to just under 5,000.

Although the Pittsburgh plant ground to a halt soon after opening because of labour problems, it is now producing about 400 cars a day. This figure will rise to 800 a day when a second production shift begins, possibly within a few weeks.

Businessmen join Caricom working groups

By Our Georgetown Correspondent

BUSINESS REPRESENTATIVES are to be given seats for the first time on official working groups planning advances in the 10-year-old Caribbean Economic Integration Movement (Caricom).

This was announced here by Dr. Kurling King, the new Secretary-General of the 12-nation Caribbean grouping.

Resignation complicates Canada fisheries talks

BY VICTOR MACKIE IN OTTAWA

THE FISHERIES and houndaries dispute between Canada and the U.S. has been complicated by the resignation of Mr. Lloyd Cutler, the chief U.S. negotiator. A lawyer in private practice, he decided to leave the talks when it became apparent that no collocation would be found in 1978.

Mr. Don Jamieson, Canada's External Affairs Minister, and Mr. Cyrus Vance, the U.S.

Secretary of State had set the end of the year deadline. They talked optimistically about reaching at least a partial agreement.

Each side is now reporting to its Government and is proposing several options, an official in Ottawa said yesterday. The dispute involves reciprocal rights for fishermen on both coasts and four maritime boundaries.

COLOMBIAN ENERGY

Priority for exploration

BY SARITA KENDALL IN BOGOTA

SR. Alberto Vázquez Restrepo, Colombia's Energy Minister, promises aggressive, ambitious energy policies, and is giving top priority to a \$3.5bn oil and gas exploration programme in response to the country's critical energy situation.

Oil production has been dropping steadily since 1970, and imports for 1979 will probably amount to 23m barrels—more than one-third of national consumption.

The exploration drive is designed to make Colombia self-sufficient in oil again, and complementary measures will channel demand towards other, more abundant, energy resources.

Between now and the end of the century Colombia will have to invest about \$35bn in electricity, gas, oil and coal—Colombia on its own can probably finance 30-40 per cent of this," calculates Sr. Vázquez.

Plans for the electricity sector alone call for \$10bn to be spent up to 1985, more than doubling capacity and significantly decreasing the proportion generated by oil and gas derivatives.

Although there may be short periods of rationing after 1980, these will be caused by low reservoir levels rather than insufficient generation capacity—unless projects are delayed by funding problems.

Even with a far-reaching substitution programme designed to replace oil products with natural gas wherever possible, and gas with coal, Colombia's oil and petrol imports will be costing more than \$2bn a year by the late 1980s.

Hence the urgency for intensive oil exploration in areas which hold out good possibilities, though they may be far from good transport facilities and more costly to drill. This would include the Llanos, Northwest Colombia and the Caribbean coast.

Most of the last area already has been contracted for exploration following big natural gas finds offshore from Cartagena and in the Guajira, but the Llanos may not prove as attractive as hoped after the news that one company spent more than \$10m on a dry well.

Although President Julio César Turbay talked of introducing risk contracts during his electoral campaign, the idea received little response from foreign oil managers. Current

Colombia is giving top priority to oil and gas exploration. Oil production has been dropping steadily since 1970, and some 23m barrels, more than a third of national consumption, will have to be imported in 1979.

policy is to continue with association contracts. These are popular with the companies because they offer good terms, flexibility and reasonable security, but the Energy Minister plans some changes—for example, a reduction in the size of area that can be contracted.

Colombia has held a much greater attraction for foreign companies since the last government agreed to pay the international price for crude discovered under the association system. Several transnationals have returned to the country and a number of companies are negotiating to explore new areas.

Over the last few years an average of 10 contracts a year have been signed in association with the State oil corporation, Ecopetrol, and over 8m hectares are covered by exploration agreements. Ecopetrol reports that 38 exploratory wells have been drilled with a total investment of \$122m up to September 1978. Despite the increase in ex-

ploration activity, it is still running at a much lower level than the Government would like, and Sr. Vázquez speaks of reviving upwards an already ambitious drilling programme.

The original aim, established by the last administration, was to drill 800 exploratory wells costing \$1.5bn over 10 years.

Assuming a rate of success similar to that of the past, this should increase oil reserves by 1.7bn barrels. Ecopetrol's exploration targets have been raised considerably, and the State corporation plans to invest \$77m in seismic and drilling activity during 1979, compared with \$17m in 1977.

In contrast with oil, natural gas production will be increasing over the next few years as more coastal fields come into operation and a pipeline to Medellín is built. Reserves in the Guajira alone are calculated at more than 3,500bn cubic feet, and output from the Ecopetrol-Texas fields is planned to reach 400m cu ft a day by 1981.

Similarly, coal production should be in full swing before the mid-1980s, replacing oil products in cement works and thermal power stations. Colombia also has begun to explore uranium deposits systematically, and association contracts have been signed with Spanish and French companies. Production for a small nuclear power station could begin in 1980.

But the key to cutting energy costs in the medium term is the oil exploration programme. Some experts feel the Colombian Government is over-optimistic, and the 10-year plan will not produce the results hoped for—neither the rate of foreign investment nor the discoveries will meet expectations.

If it is successful, however, the country will save billions of dollars in imports, which is a strong incentive on the heels of another OPEC price increase.

Trinidad sets up inquiry into Texaco

By David Renwick in Port of Spain

Dr. Eric Williams, Prime Minister of Trinidad and Tobago, has appointed a commission of inquiry into the operations of Texaco, the U.S. multinational oil company.

The commission is to investigate whether Texaco has "been working against Trinidad and Tobago's national interests," after complaints by the oilfield workers' union that Texaco has been running down its 350,000-barrel-a-day refinery in South Trinidad. The company and the union have reached a deadlock in negotiations for a new industrial contract.

The Government has its own reasons for wanting a public investigation of Texaco Trinidad's affairs. Four years ago, the Government said it would take an equity interest in Texaco's T28m (£405m) local operation, but meetings have been sporadic and the Government seems to have formed the impression that the company was withholding vital information. The commission has 60 days to submit a preliminary report.

Pulp anti-dumping case dropped

BY MAX WILKINSON

THE EUROPEAN Commission in Brussels has officially dropped an anti-dumping case brought by French pulp manufacturers against North American and Scandinavian imports.

The case, backed by the French Government, early last year, was strongly opposed by the UK paper-making industry and the British Government. The French were worried at the time that cheap imports of pulp, mainly from Canada, would undercut the indigenous French pulp industry at a time when the market was extremely depressed.

Paper manufacturers in the UK, Germany and elsewhere in Europe were however, strongly opposed to any action by the Commissioners which might raise pulp prices and therefore depress the margins available

on finished paper. Partly because of the strong disagreements within the industry, the Commission dragged its feet throughout the summer while prices began to rise.

Now the price of bleached chemical pulp (the raw material for printing and writing papers) has risen just above \$400 a ton compared with its lowest level of little more than \$300 a ton in 1976. At the low price pulp represented about half the cost of finished paper, which allowed the UK manufacturers, at least, to make modest profits.

At its highest price level pulp has cost up to 70 per cent of the price of finished paper. At this level it was almost impossible for paper manufacturers to make profits unless they were integrated with a pulp mill.

The European Commission says it has dropped the anti-dumping case because the recent rise in pulp prices throughout the world has made any action on its part unnecessary.

The British Paper and Board Industry Federation has welcomed the Commission's decision to take no action on the complaint, it does not wish the principle of a floor price in pulp to be established in Europe, because it believes this could damage paper makers at some future time.

The recent rise in pulp prices is putting severe pressure on paper makers who are now anxious to increase their price to maintain margins. However, Europe is still suffering from an over-capacity in paper making, which is tending to restrain price rises.

Nigeria may extend import restrictions

NIGERIA MAY be planning more import controls, observers in Lagos believe.

Olusegun Obasanjo, the Nigerian head of state, said in a radio broadcast that measures would be taken in the New Year. He did not specify what new measures would be taken, but said that last year's economic measures, which included a ban on certain consumer items, were taken to liberalise and strengthen the national economy, conserve foreign exchange and forge a spirit of self reliance.

Chile eases labour laws hoping to avert boycott

BY ROBERT LINDLEY

CHILEAN LABOUR Minister Jose Pinera appointed last week when President Augusto Pinochet partially reorganised his Cabinet, has taken steps calculated to persuade the inter-American regional labour organisation (ORIT) to call off its announced boycott on trade going to and from Chile.

Sr. Pinera has announced in Santiago the immediate restoration of the right of union members to meet without prior authorisation from the regime and has taken other measures

to normalise the activity of the labour unions.

ORIT has announced that its boycott against Chile—and against Nicaragua and Cuba as well—for alleged systematic violation of human and labour rights will begin on Tuesday, and the AFL-CIO of the U.S. has said it will join the ORIT boycott.

According to a Government spokesman, the threatened boycott against Chilean imports and exports would cost Chile about \$250m.

U.S.-CHINA TRADE

New accord delights exporters

BY DAVID LASCELLES IN NEW YORK

FEW AMERICANS greeted the new diplomatic accord between the U.S. and China more eagerly than the business and financial community, whose attitude was pithily summed up by Mr. Donald Regan, chairman of Merrill Lynch. "Any nation of over 800 million people growing at the rate of 18m a year is a tremendous market."

And why not? Just before the announcement, half a dozen large U.S. metals companies won orders totalling over \$1m to develop China's metallurgical industry. Engineering companies got contracts to build factories and develop energy supplies. And to show that they also care for creature comforts, the Chinese invited in McDonald's hamburgers and Intercontinental Hotels.

Full normalisation was achieved a few days later when in the space of 24 hours it was announced that Coca Cola is to go on sale in China later this month, that the Chinese national airline is to buy up to five Jumbo jets, and that PanAm is to start direct flights to Peking as soon as practicable.

All this in less than three weeks. But as more U.S. businessmen scramble to take advantage of China's new pragmatic economic policies, others urge a more cautious approach.

They recollect the similar rush that followed the Soviet trade overtures to the U.S. nearly 10 years ago, only to founder on the Russians' debts and Congress's trade laws.

Even so, there are many positive forces at work. Apart from the new Chinese leadership's evident determination to catch up with the West, even if it means chipping away some Maoist precepts, trade between the U.S. and China is unnaturally low. This year, U.S. exports are expected to be just under \$1bn and imports \$350m, putting total turnover at one-sixth of U.S.-Taiwan trade, and well behind other Western countries.

The U.S. is also well-placed

because of the size and scope of its engineering industries to meet China's needs, which are mainly in the raw material and basic industrial development areas, along with transport and energy (the Coke and hamburgers seem destined to satisfy the appetites of foreigners rather than the Chinese).

The West in general also benefits from the fact that China wants to buy from here rather than in the Soviet Union, which would be able to supply

to the extent of "several tens of billions of dollars," according to Mr. Li Chiang, Foreign Trade Minister. Bank of America estimates China's foreign credit needs at \$35-40bn up to 1985, which is roughly what the Russians have borrowed since 1970.

But though conditions seem ripe for a sharp increase in U.S.-Chinese trade, several hurdles have yet to be negotiated before steady growth is assured. The main one is finance. The

Conditions now seem ripe for a sharp increase in trade but several hurdles have still to be negotiated before steady growth is assured.

majority of U.S. banks are willing to lead to China. Indeed, they have joined the scramble by setting up correspondent relationships with the Bank of China. But many of them recall their experiences with the Russians in the early 1970s when they agreed to easy terms in order to gain a share of what then seemed a burgeoning market, only to see growth peter out.

As a country risk analyst commented at one of the major New York banks where a China evaluation programme is underway: "We are going to proceed a bit more carefully this time." There is also the problem of information. The Chinese are even more secretive than the Russians, and the banks are likely to insist on proper documentation before they lend big money. Going by what little is known of China's resources at the moment the banks are primarily interested in the country's oil. But though this could become an important foreign currency earner, it poses some problems: much of it is either offshore or close to the sensitive border with the Soviet Union while its composition makes it costly to refine.

Even so, China's creditworthi-

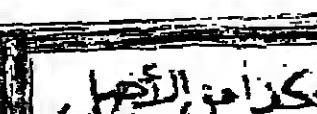
ness is not doubted. The country has always paid its bills on time so far, and it is believed to run a surplus on its hard currency account, mainly as a result of the services it sells to Hong Kong. Exports of \$7bn and imports of \$8bn are frequently quoted figures here. But whether total turnover could be raised higher than \$20bn without full scale development of oil is doubted.

The main political question overhanging U.S.-Chinese trade is whether it will receive Congressional blessing. The legislature is involved in two ways: it will have to approve any Eximbank credits for China (China has indicated it is contemplating asking for these), and it will have to approve the extension of most favoured nation (MFN) treatment. To qualify, China will have to show that it does not restrict emigration as required by the Jackson Amendment which suspended MFN for the Russians three years ago.

Congress has not yet had the chance to demonstrate its attitude towards the new relationship with Peking. But certain opponents such as Mr. Barry Goldwater, have been strongly critical, meaning that outright approval is not assured.

A better picture of the prospects should emerge in the coming weeks, with the visit to Washington of vice-premier Deng Xiaoping-Teng Hsiao-ping, and the subsequent trip to Peking by Mr. Michael Blumenthal, the Treasury Secretary who will be travelling "as the senior cabinet member on economic affairs."

The main outcome of these exchanges is likely to be a long-term trade agreement setting out areas of business, and, possibly, terms for investment. Where it could all lead is still anyone's guess, but one of the more authoritative "gals" a few days ago from Mr. Christopher Phillips, president of the national council for U.S.-China trade, who predicted a doubling in turnover by 1981.



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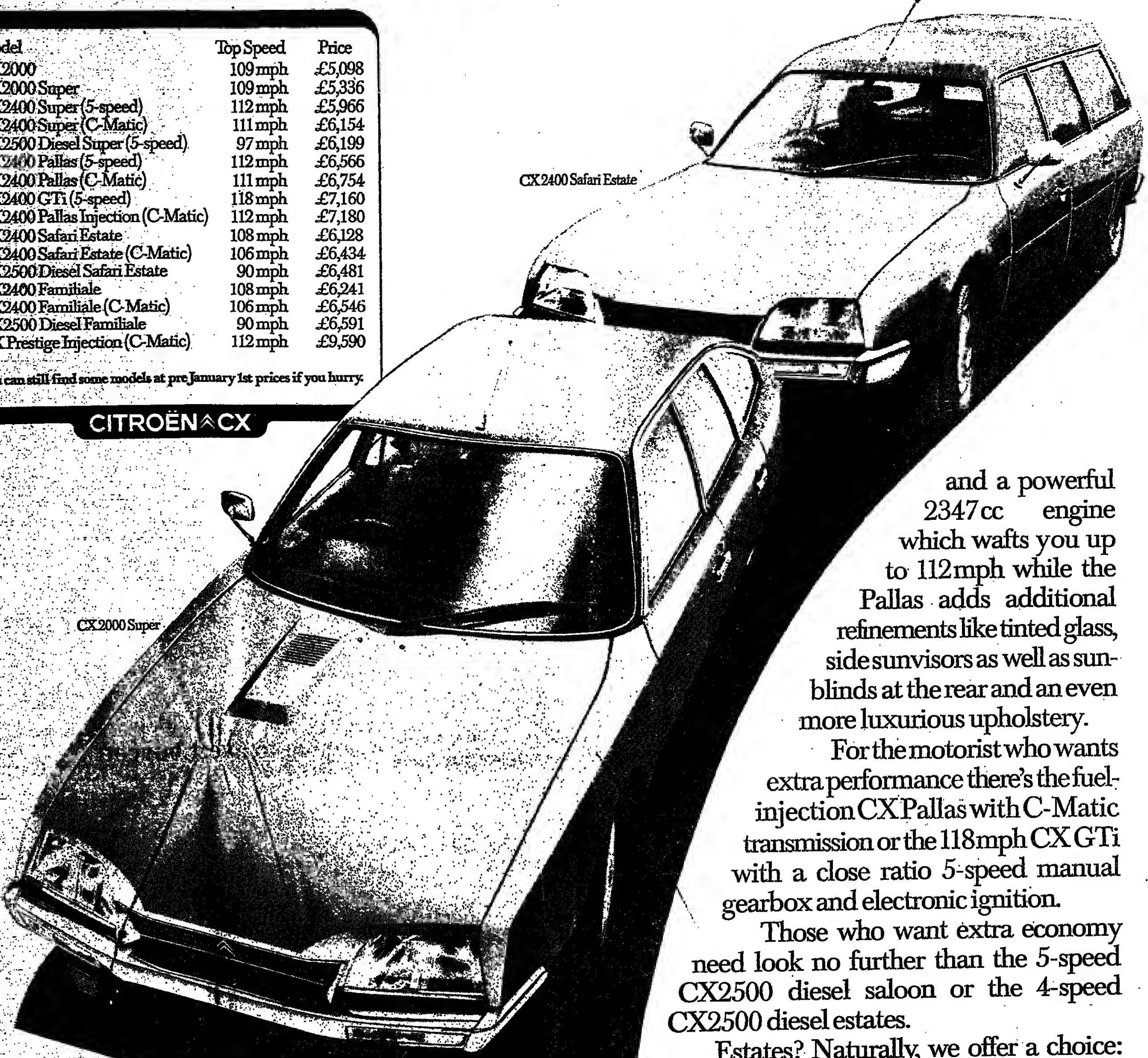
Model	Top Speed	Price
CX2000	109mph	£5,098
CX2000 Super	109mph	£5,336
CX2400 Super (5-speed)	112mph	£5,966
CX2400 Super (C-Matic)	111mph	£6,154
CX2500 Diesel Super (5-speed)	97mph	£6,199
CX2400 Pallas (5-speed)	112mph	£6,566
CX2400 Pallas (C-Matic)	111mph	£6,754
CX2400 GTi (5-speed)	118mph	£7,160
CX2400 Pallas Injection (C-Matic)	112mph	£7,180
CX2400 Safari Estate	108mph	£6,128
CX2400 Safari Estate (C-Matic)	106mph	£6,434
CX2500 Diesel Safari Estate	90mph	£6,481
CX2400 Familiale	108mph	£6,241
CX2400 Familiale (C-Matic)	106mph	£6,546
CX2500 Diesel Familiale	90mph	£6,591
CX Prestige Injection (C-Matic)	112mph	£9,590

You can still find some models at pre-January 1st prices if you hurry.

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and a powerful 2347cc engine which wafts you up to 112mph while the Pallas adds additional refinements like tinted glass, side sunvisors as well as sunblinds at the rear and an even more luxurious upholstery.

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Estates? Naturally, we offer a choice: petrol-engined or diesel, people-carrying or load-carrying. The CX Familiale transports eight passengers plus a generous amount of luggage in style and remarkable comfort. The CX Safari has an impressive 41 cu ft of load space which expands to a cavernous 75.2 cu ft when the rear seat is folded down.

That leaves the Prestige—the ultimate CX. With a longer wheelbase, vinyl roof, air-conditioning, electrically-operated windows all round, four stereo speakers, even foot-rests for the rear passengers, and many other features, it's probably the most lavishly-appointed saloon available at its price.

Abundantly clear from all that's gone before is that, wherever along the price scale you come to a stop, the CX offers you a lot of car for your money. And from that point on, it's up to you to decide.

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As you might expect, a price difference of £4,500 makes quite a difference to what you get in a car.

What you might not expect, however, is that at the bottom end of the CX price range you can still enjoy the superb comfort, style and lavish appointments of a luxury limousine.

Take the CX2000 Super, for example. For £5,336, you get not only Citroën's unique hydro-pneumatic suspension, VariPower steering and aerodynamic styling but reclining front seats with adjustable and removable head restraints, electrically operated front windows, town and country airhorns, aerial and twin door speakers, interior pneumatic engine oil-level gauge, 2-speed single-arm front windscreen wiper with intermittent wipe.

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Sainsbury renews discount campaign

By David Churchill, Consumer Affairs Correspondent

THE FIERCE competition between the High Street supermarkets intensifies today when J. Sainsbury renews its successful "Discount 78" price-cutting campaign.

The new campaign, renamed "Discount 79" will be backed by Press and television advertising—which began last night—estimated by the trade to total more than £3m.

The move comes a year after Sainsbury first launched its Discount campaign in response to Tesco's decision to drop trading stamps and concentrate on price-cuts.

Since Sainsbury adopted its aggressive marketing campaign it has boosted its share of the packaged grocery market by almost a quarter from 8.6 per cent to 10.8 per cent.

Over the same period, Tesco's market share has risen from about 10.5 per cent to just over 13 per cent.

If fresh foods are taken into account, Sainsbury and Tesco are believed to be about equal in market shares.

In the financial half-year to September 1978, Sainsbury also reported turnover up by 28 per cent—a volume gain of 50 per cent—while profits were up by a quarter.

The effect of Sainsbury's price-cutting also meant a saving on the average shopping basket of about 3p in the pound, the company said yesterday.

The new campaign, however, is unlikely to repeat last year's sharp price cuts on a wide range of groceries. Instead, Sainsbury's says it will continue to discount basic commodities.

But with increasing pressure on supermarket costs, including wage and distribution costs, there is little scope for a further general reduction in prices.

Some items, such as tea, coffee, and some biscuits are, however, now cheaper in Sainsbury stores than a year ago.

Although the major supermarkets are unlikely to be able to afford a new round of deep price-cuts, the competition for market share is likely to continue.

The launch of a new marketing campaign by the Co-operative stores is imminent and stores have been told to emphasise the Co-ops advantages.

Tesco is also to launch its own New Year campaign to consolidate its market share from Monday, although it has already started advertising its new prices. The other major multiples are expected to follow suit.

Vegetable prices double as freeze maintains grip

BY CHRISTOPHER PARKES

RETAIL PRICES of most vegetables have doubled in the past few days. Some have even trebled as the trade has suffered the combined effects of frozen fields, blocked roads and fears of the impending disruption of a lorry drivers' strike.

At London's main wholesale markets yesterday, prices were generally double last week's levels. In Scotland some traditional winter crops such as brussels sprouts were virtually unobtainable.

At present there are ample supplies of imported fruit and salads with prices similar to last week, but a spokesman for the retail trade warned that if the lorry drivers' strike took hold, prices could easily double. The shortage of transport could add to the difficulties.

The top national average price for sprouts yesterday was 17p a pound in wholesale markets, rising to 40p a pound in some shops. Carrots cost as much as 20p a pound, cabbages the same, and cauliflowers up to 55p

each. Some retailers, however, have started to cut prices and reduce their margins because shoppers are refusing to buy.

Leeks are scarce and cost 30p a pound and onions have risen to 15p a pound.

Potatoes have been less affected by the cold since many merchants hold large stocks close to the main markets. Prices generally have risen about 1p a pound to a maximum of 7p for white varieties and 7½p for reds.

Traders warned that many crops, such as sprouts and cabbages, may have been permanently damaged by the cold. While there is no danger of many crops being written off, there is likely to be an unusual amount of waste on many leaf crops.

While fruit prices have not yet been affected, South African peaches can be had for 10p to 15p each, and oranges can still be found as cheap as 4p each. Bananas, though, are susceptible to the cold and should be examined before purchase.

Best buys of the week, according to the fresh fruit and vegetable information bureau, are small avocados selling at 16p each.

The Milk Marketing Board said yesterday there was still no danger to doorstep deliveries of milk although some farmers were still unable to get their production to dairies.

The cold has caused some slight problems, however. Some houses in the London area were rationed to a maximum of 2 pints each because of a "minor" walk-out by bottling plant staff who claimed the dairy was too cold for them to work.

Move to start new air services from Stansted

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

TWO UK independent airlines, British Air Ferries and British Islands Airways, are seeking permission to develop European passenger and cargo services from Stansted Airport, Essex.

British Islands Airways is a member of the British and Commonwealth Shipping Group, but recently took over many scheduled service routes operated by British Air Ferries.

The aim is to start scheduled passenger services from Stansted to Paris, Frankfurt, Zurich and Dublin, with cargo services to Amsterdam, Stansted, Hanover and Milan.

BIA is seeking rights to fly Luton-Paris and Luton-Amsterdam. These changes would bring a

major expansion of scheduled services from Stansted, which has been largely devoted to charter and cargo.

The Civil Aviation Authority will hold a public hearing into these applications in London next Wednesday. Objections to them have been lodged by British Airways, and in some cases by British Caledonian Airways.

British Islands Airways and British Air Ferries together are one of the biggest independent airline groups.

They want to promote Stansted because they believe that a large market for scheduled air services exists in that area.

Airport told to submit planning application

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

BIRMINGHAM Airport's £26m expansion plan must go to a local public inquiry if there were objections, Mr. Peter Shore, the Environment Secretary, said yesterday.

Mr. Shore instructed the West Midlands County Council, owner of the airport, to make a planning application now, but said that it was unlikely that any inquiry could be held before early autumn.

Mr. Robert Taylor, the airport director, last night welcomed the Minister's initiative as a sign of progress on the plans. The timing fitted in with the airport's aim of having the new facilities working by late 1983, he said.

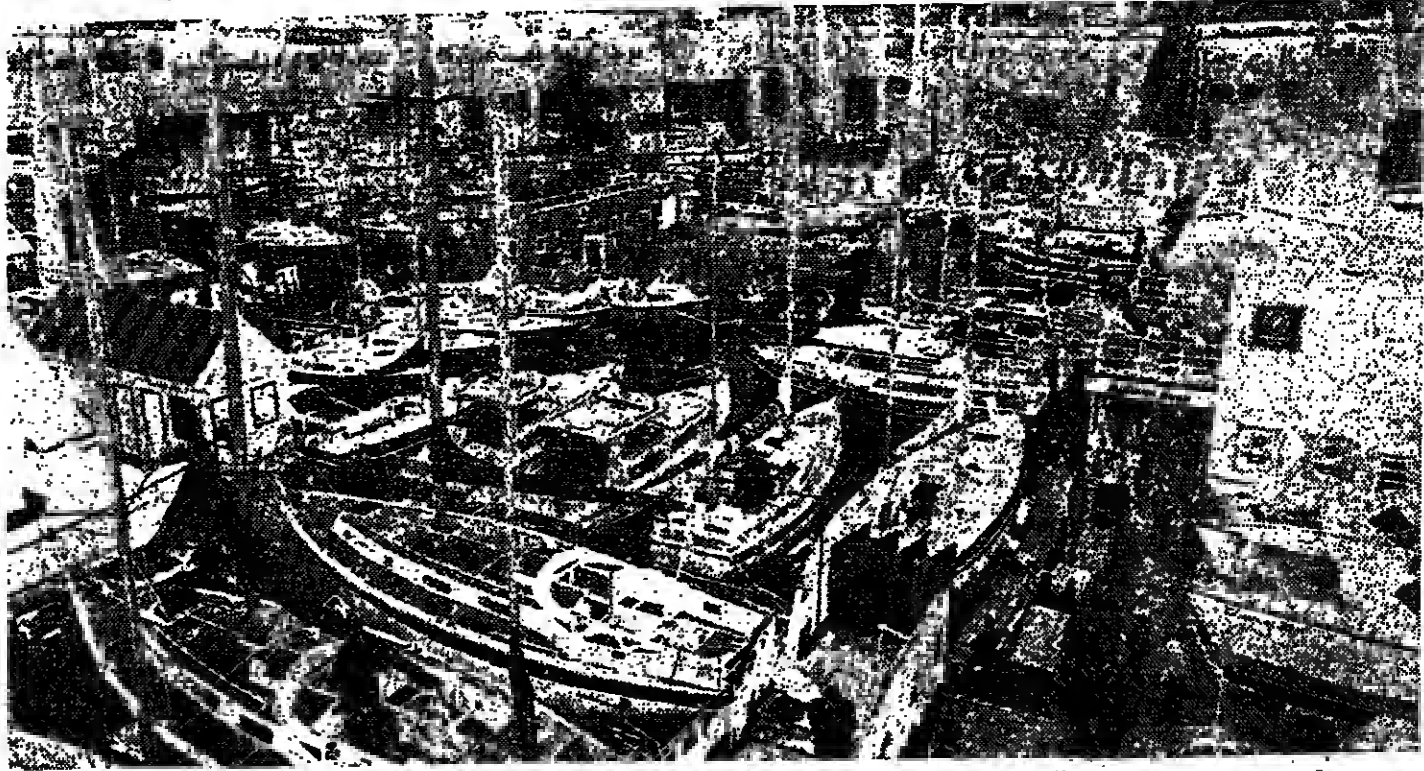
The airport plans include a new terminal on a site near the Birmingham international railway station and the National Exhibition Centre and a new aircraft taxi-way.

The authority must obtain planning consent from the Department of Environment and also approval for the project from the Department of Trade.

After 12 months negotiations with the Trade Department, the authority has scaled down its original £50 proposals and is now hoping for a £26m scheme to handle 1.8m passengers by 1985 or a £39.5m plan to cater for 2.5m people by 1990.

Mr. Taylor hopes for a decision in principle in the next few weeks from the Trade Department Treasury clearance is also being sought because, under a 1980 agreement, the Government is committed to meet 60 per cent of any major capital spending.

The municipal undertaking expects to make more than £500,000 in the year to April 1 on a turnover of about £10m.



Ship shape: boats neatly moored in the model harbour at Ear's Court ready for the Boat Show which opens today.

Raleigh enjoys record £42m sales

By James McDonald

THE BICYCLE boom has led to TI Raleigh—the world's largest cycle and component manufacturer—enjoying record UK sales last year of \$84,000 bicycles, including pavement cycles, valued at £42m.

There is no strict comparison with 1977 because 1978 was the first year when pavement cycles were included in the total sales. But a Raleigh spokesman said that his company had about 60 per cent of the British market and that sales by all makers had increased by 10 per cent in 1977, with sports machines accounting for 40 per cent of demand.

Although TI Raleigh's largest single market is the UK—50 per cent of its domestic production is exported to 140 countries and the company estimated yesterday that Raleigh's world cycle sales last year were about £150m, with two-thirds in exports.

Raleigh believes that the remaining 40 per cent of the British bicycle market is fairly evenly split between other UK manufacturers and foreign makers, with Austrian machines the biggest import.

But although sales last year by TI Raleigh overseas were encouraging they were not as buoyant as in Britain.

"There are indications that British adults are now turning to the bicycle as a means of healthy competition, and as such we welcome it. But there is no doubt the going will be tougher for British manufacturers in some markets."

Mr. Webb was speaking at the Ear's Court, London, exhibition centre where the 25th London International Boat Show is being opened today by Mrs. Margaret Thatcher, Conservative Party leader. The show is organised by the Daily Express and the federation.

The Boat Show has been an important showcase for the

Boating industry's exports face increasing pressure

BY MAX WILKINSON

THE £105m exports of the British boating industry are expected to come under increasing pressure from European and U.S. competitors, a representative of the industry said yesterday.

Mr. Tim Webb, Director-General of the Ship and Boat Builders' National Federation said: "We are two years ahead of our competitors in some of the larger markets—Germany, for example—but manufacturers in other countries, particularly France and Scandinavia, are catching up fast."

"This is a natural result of healthy competition, and as such we welcome it. But there is no doubt the going will be tougher for British manufacturers in some markets."

Mr. Webb was speaking at the Ear's Court, London, exhibition centre where the 25th London International Boat Show is being opened today by Mrs. Margaret Thatcher, Conservative Party leader. The show is organised by the Daily Express and the federation.

The Boat Show has been an important showcase for the

British boating industry, which has increased total sales from £57m in 1968-69 to £270m in 1977-78. In the same period, exports have risen from £20m to £105m.

The biggest sales category is sailing boats, which accounted for 53 per cent of the home market and 44 per cent of exports last year.

Mr. Webb said that 1978 sales by the industry represented barely any increase in volume compared with the £245m total for the previous year. "We have only just kept pace with inflation," he said, "Nevertheless, I am moderately optimistic."

He said that boats continued to be seen by many people as a hedge against inflation. Most yachts do not depreciate very quickly, and some have even appreciated in real terms over the last few years.

The challenge now facing the industry, Mr. Webb said, was to exploit new export markets ahead of European competitors. South American countries were one area in which British boat builders were making an effort

The African states also provided opportunities for sales of fast patrol boats and associated marine equipment.

A recent survey by the federation showed that its 960 members were about equally divided between optimism and pessimism about the industry's future.

The federation says: "The survey reflects more optimism in the export market, compared with April 1978 reports, but order books do not reflect that hope."

The Ear's Court show covers 570,000 sq ft, accommodating about 450 exhibitors. Last year it was visited by 273,000 people, of whom 13,900 were from outside the UK. This year the show includes the usual model harbour in which 30 craft are moored afloat.

The Royal Navy will be on parade today to pipe Mrs. Thatcher "aboard" for the ceremonial opening. The Navy will also take part in daily displays of skill, including the manning of an 83-foot replica of the HMS Ganges mast. The show continues until January 14.

Cosmos expands U.S. holidays

BY ARTHUR SANDLES

COSMOS, one of Britain's top tour operators, has been faced with such a demand for its U.S. tours programme that it is setting up a series of charter tours to America—with prices, including flights and hotel, from £169.

The rush of the British to America is surprising airlines and tour operators. Last year traffic increased by 40 per cent to exceed 700,000—and so great was the increase that Americans are considerably behind with the statistics. Next year Britain is expected to produce 1m visitors for the U.S., thanks to low fares and a wobbly dollar.

Cosmos launched a U.S. tour programme last October with a capacity of 7,000 seats on Pan Am scheduled flights. Most of this initial capacity is now sold and Cosmos has increased its allocation to 16,000. In addition it has added a programme of charter flights with 7,500 seats using the Californian charter airline Trans-Inter-

national. So low are the fares out of Britain that Cosmos-affiliated companies in France and the Benelux countries will be offering a further 4,500 seats to residents of those countries who will fly via British Caledonian Airways first to London and then on to the U.S. and still undercut local offers.

Development Mr. Stevenson Pugh, sales director of Cosmos, said yesterday: "We are witnessing the birth of an extraordinary period of development in international tourism, a period of profound change and explosive growth."

"The dominant trend is towards America and will make that great country the world's biggest inclusive holiday destination within the next few years."

He said that what had happened in Spain in the 1950s, thanks to low air fares and a currency which offered a

favourable rate of exchange to other nations, could happen to the U.S. in the 1980s.

"We on this side of the Atlantic are sitting in the middle of the richest travel market on earth. The developed, densely populated countries of Western Europe are the take-off point for this new, low-cost Atlantic air bridge and their peoples are highly motivated to visit America."

The Cosmos charter tours offer East Coast trips, which include Boston and Niagara from £297 for 15 days, visits to both New York and Florida (from £365), and a 15 day coast to coast visit from £395. All Cosmos trips are fully escorted.

The deal gives America's Greyhound Buses one of its biggest long-term tours charter to foreign operators yet, and is Britain's first charter operation to the U.S. devoted week-after-week entirely to complete package tours.

U.S. tourists' spending 'will decrease'

By Arthur Sandles

A SUBSTANTIAL fall in American tourist spending in Britain, but a continued rise in hotel profits, are among forecasts for the coming year from Mr. Mervyn Greene, of Greene, Bellfield-Smith and Co., a leisure consultancy.

The consultants doubt, however, that this year's rise in industry profits will be on the scale of that in 1977-78. That was generally regarded as a period of recovery.

Nevertheless they feel that, with continued demand from tourists other than Americans and strong domestic and foreign business traffic, the hotel industry should have a reasonable year.

Mr. Greene said: "We predict that the number of American visitors could decline slightly in 1979. But the average length of stay, and the average spent per American visitor in hotels and restaurants could decrease substantially."

"If we switch our marketing to other countries with harder currencies, this should compensate for the decline in revenue from Americans."

After saying that prices are sure to rise during the year, Mr. Greene adds: "If we increase prices and standards decline, this is a formula for bankruptcy."

He notes signs that a drive to set, monitor and improve standards in mass popular catering might come during the year.

CONTRACTS

Short Brothers win £4m order

SHORT BROTHERS, the State-owned aircraft company, has won a contract which could be worth up to £20m for work on the new British Aerospace HS-146 feederliner.

Under the agreement the Belfast company will design and manufacture the pods for the four U.S. Avco Lycoming engines on the HS-146.

The work will initially be worth about £4m to Short Brothers, but market forecasts prepared by British Aerospace show that this could reach £20m by 1990.

Short Brothers, which is the sole contractor for engine pods on the Rolls-Royce RB-211 engines, was last month promised a further £60m of Government aid for a capital re-equipment programme taking it into the 1980s.

CHRYSLER UNITED KINGDOM has won an order worth nearly £2½m for the Car of the Year Award winners—the Chrysler Horizon and Alpine models. Swan National Rental, one of the major daily rental companies in the United Kingdom, will be putting 500 Horizon 1.3LS and 500 Alpine 1442 LS models into their hire fleet.

ICI have ordered a CMC Sovereign multiple processor keying system from COMPUTER MACHINERY COMPANY worth £161,000 for installation at Im-

perial Chemical House, Millbank, SW1.

RELIANCE SYSTEMS, part of the GEC Group, has won two major orders worth £146,000 for its feed electronic exchange (REX) for PABX telecommunications systems to be installed at the British Electrical and Allied Manufacturers Association and at J.M. Riker Laboratories in Loughborough.

CROW OF READING has been awarded BBC contracts for the supply of television studio equipment valued at more than £100,000. Two separate contracts have been placed by the BBC's studio capital projects department, one being for Arvin Echo EFS-1 disc recording equipment and the other for Barco CTVM2 professional colour monitors.

Equity and Law, an independent life assurance company with a staff of 1,700, has ordered 30 Diablo 1620 Daisy-Wheel Terminals from ZYGAL DYNAMICS valued at more than £72,000. The terminals are to be sited at Equity and Law branches throughout the UK as part of a system used to prepare quotations for life assurance. Each terminal can be connected to the company's central computer through GPO lines; relevant data is input and the resulting quotation is produced immediately on the terminal using pre-printed forms.

Minister switches to Parole Board

By Philip Rawstorne

LORD HARRIS of Greenwich resigned yesterday as Minister of State at the Home Office. He will shortly take up a three-year appointment as chairman of the Parole Board.

Before he was made a life peer and given a government post in 1974, Mr. John Harris, as he then was, had been a special assistant to Mr. Roy Jenkins during his period as Home Secretary and Chancellor. Previously, he had been Press adviser to the late Mr. Hugh Gaiskell and Director of Publicity for the Labour Party from 1962-64.

Lord Harris will succeed Sir Louis Petch as chairman of the Parole Board on March 1.

The Home Office vacancy will be filled by Lord Boston of Faversham, formerly Mr. Terry Boston, Labour MP for Faversham from 1964-70. Lord Boston, a barrister and former BBC producer, was made a life peer in 1976.

In a minor reshuffle of government posts in the Lords yesterday, Mr. Callaghan, Prime Minister, also appointed Baroness Birk as Minister of State in the Privy Council Office, a post left unfilled since the recent promotion of Mr. John Smith to Secretary for Trade.

Lady Birk, who will be the Government's economic spokesman in the Lords, is succeeded as Under-Secretary for the Environment by Baroness Stedman, who has been a Government whip in the Lords since 1974.

Another Government whip, Lord Wells-Pestell, is appointed as an additional Under-Secretary in the Department of Health and Social Security.

Overall rise in music trade profits

By James McDonald

MOST OF the music trade—ranging from tapes to the retail sector—increased its turnover and profits in the past financial year, according to a survey carried out by Inter Company Comparisons.

Of the quoted companies, 90 per cent increased turnover and assets over the two years, 60 per cent increased profits and 80 per cent paid more to directors.

In the unquoted sector, 64 per cent had a higher turnover compared with the previous year, 60 per cent made more profit and 82 per cent added to assets.

Music Trade, Inter Company Comparisons, 61, City Road, London, EC1, £38.80.

Premium Bond winnings top £700m

THE TOTAL value of Premium Bond prizes awarded since the sector got under way in the 1950s will top £700m with the January draws.

During the month, 123,101 prizes will be drawn, worth £6.5m. These will bring the total prizes awarded since 1956 to 16.6m valued at £700m.

The January figures set records for both the number and value of prizes to be won, and reflected the increase in the underlying interest rate from 8½ per cent to 9½ per cent.

This month sees the introduction of the £75,000 weekly prize, and the first will be announced on Saturday.

Lord Stow Hill, former Labour Minister, dies

By Ivor Owen

LORD STOW HILL, a former Cabinet Minister and law officer who served in the Attlee and Wilson governments, died on Tuesday, aged 78.

He was appointed Solicitor-General in 1945 when, as Sir Frank Soskice, he joined the small group of Parliamentarians who have marked their entry into the Commons by immediately hurdling the back benches to join the Government Front Bench.

Lord Stow Hill, the son of a Russian doctor imprisoned for political opposition to the Czar, was appointed Home Secretary when Sir Harold Wilson formed his first Administration in 1964.

Although one of the few members of that Government with earlier ministerial experience, the sureness of touch that enabled him to acquire a formidable Parliamentary reputation as a law officer—he also held the post of Attorney-General from April to October, 1971—eluded him at the Home Office.

After a brief spell as Lord Privy Seal, he left the Commons in 1966 and took the title of Lord Stow Hill when made a life peer.

Opportunity to acquire established engineering business

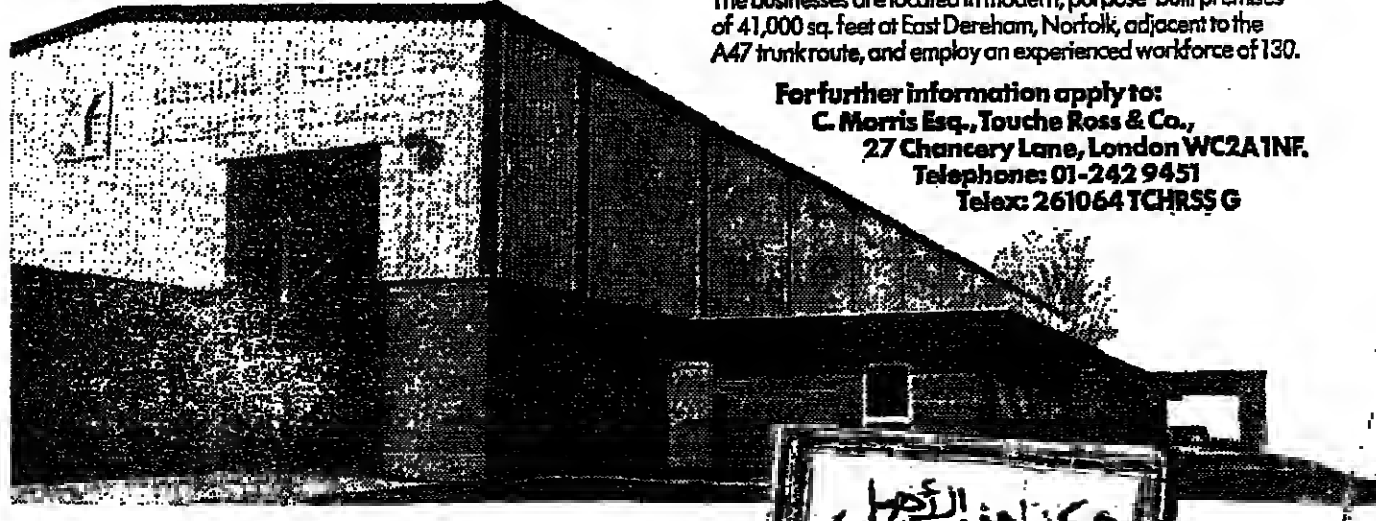
*Agricultural engineering *General engineering *Food processing and packaging machinery

The well-established and respected engineering business of Dreiholz & Flooring Ltd. is for sale. The business commands a substantial share of the market for beetling knives and knifeblocks, both in the U.K. and

overseas. New products in food processing and packaging have considerable export potential, and the sale also includes the business of a subsidiary, J.J. Wright Engineering Ltd., with established contracts with major industrial companies and H.M. Government.

The businesses are located in modern, purpose-built premises of 41,000 sq. feet at East Dereham, Norfolk, adjacent to the A47 trunk route, and employ an experienced workforce of 130.

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The second post calls for a qualified accountant from the early 30's with investigation experience in a top professional firm, preferably backed by industrial experience. The primary task will be in-depth appraisal and evaluation of potential investments and the formulation of suitable financial packages. Responsibilities also include the development of contacts with professional firms and some financial monitoring of investments.

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Candidates for this appointment should submit a curriculum vitae or write requesting a personal history form to Nigel V. Smith, A.C.A., or Robin F. Taylor, B.A., C.A. quoting reference 2337.

Commercial/Industrial Division

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DOCUMENTARY CREDIT - 2nd yr comm. £15,500-£20,000. Must be thoroughly exp. on all aspects of Documentary Credits, Guarantees L.C. etc. for International Bank based in City. Age 35-45. Ring for appointments 263 6022 VPM Employment (AGY)
BIBBONS MANAGEMENT (£14,000 + bonus) EC3 with some extra - enquiries exp. for London International bank. Details 01-492 0340 Premier Personnel Adv.

General Management

Building Industry

This West Country based building company has a turnover of over £10 million and continued expansion has produced the need for a new Senior Manager. Working with the Executive Director, the task is to oversee the foundation and development of a new division to be based in the Southern United States. Two members of staff are already seconded to this division which will build residential housing for private sale.

Candidates must be highly numerate and logical, with successful experience in business management. They are likely to be in their 30s and be prepared to spend part of their time in the U.S. with an option to relocate there in 2-3 years' time. Emphasis is placed on

ability to integrate with this dynamic and demanding top management group before taking control of the independent subsidiary company.

Salary will be from about £13,000, a company car is provided, together with excellent service conditions.

PA Personnel Services Ref: GMS2/6702/FT

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

Midlands



c. £12,500 + bonus and car

FINANCIAL DIRECTOR

The Company: The major subsidiary of a medium sized, leading international engineering group specialising in the manufacture and marketing of consumer durables. The company enjoys an enviable reputation for the high quality of its products, employs 1300 people and turnover is currently running at £15m., a significant proportion of which is exported.

The Job: As a result of an internal promotion within the group a replacement for the present Financial Director is now required. Reporting to the M.D., the person appointed will manage a well developed computer based financial function. More importantly he or she will be expected to make a significant commercial contribution towards the profitable development of the business.

The Candidate: The essential requirements are for an accounting qualification, a thorough understanding of budgetary control, standard costing and cash management in a light engineering business and a strongly developed commercial orientation.

Fringe benefits are attractive and include a bonus scheme which could add significantly to the salary quoted.

Full and comprehensive details of career and salary to date, which will be treated in confidence, should be sent to E. J. Robins, Executive Selection Division at the address below. Please quote reference RF561 and include, if possible, a daytime telephone number at which you may be contacted.

COOPERS & LYBRAND ASSOCIATES LTD.

Management Consultants,
Shelley House, Noble Street, London, EC2V 7DQ.

JAMES CAPEL & CO.

CONTINENTAL DEPARTMENT

We have a vacancy for an executive to join the team servicing our Continental clients. Applicants should have at least two years Stock Exchange or investment experience, and a working knowledge of French or German is highly desirable.

This position offers substantial scope for travel and for advancement within the firm. Remuneration will be commensurate with experience, initiative and ability.

Please apply in writing to:

D. Schulten
James Capel & Co.
Winchester House,
100, Old Broad Street,
London EC2N 1BQ.

ACCOUNTING RESEARCH International Group

London c. £9,000 incl. benefits

Our client is one of the largest conglomerates in the UK, operating internationally in a wide range of activities.

Due to promotion, an immediate opportunity has arisen for a Research Accountant to be solely responsible for technical reports and accounting developments throughout the Group. This position offers exposure at a high level - in policy committees, head office and operating units, as well as on various external bodies, as the Group's spokesman.

Candidates, male or female, should be qualified accountants and able to demonstrate a real interest in this type of work. Although the ideal candidate will probably be in his/her late 20's, age or experience is not as important as a flexible and creative approach and the ability to present ideas with authority.

For fuller details and a personal history form contact Ian Tomkinson or Lindsay Proctor quoting reference no. 2342.

Commercial/Industrial Division

Douglas Lambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London, WC2R 0NS. Tel: 01-836 9501
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744



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A rapidly expanding public group with operating subsidiaries in various parts of the U.K. is looking for two or three new Managing Directors over the next twelve months. The Group has very ambitious plans for further expansion and successful applicants can expect an exciting and rewarding career. Applications are invited from Executives in their 30's who have commercial flair, strong powers of leadership and a proven track record. Their backgrounds can be production, finance or marketing providing they have the right personal qualities and can demonstrate a high level of achievement in their careers to date.

Telephone: 0532 459181 (24 hr. service) quoting Ref. 3365/FT. Reed Executive Selection Limited, 24-26 Lands Lane, Leeds LS1 6LB.

The above vacancy is open to both male and female candidates.
London Birmingham Manchester Leeds

FINANCIAL CONTROLLER

AIR TRAVEL INDUSTRY - SAUDI ARABIA

A prominent and expanding Air Travel and Services Company is seeking a Financial Controller to take charge of the finance and accounting functions. Reporting to the General Manager, the Financial Controller would be expected to:

- Review and improve existing accounting system
- Develop management information systems
- Develop and implement budget and control procedures
- Prepare analysis of capital projects.

The position is based in Jeddah but would require travel to and financial control of branch offices in other major cities in the Kingdom.

Candidates in the age range 30-40, should possess a major accounting qualification or be a business school graduate or equivalent in Finance/Accounting. At least five years' relevant experience, preferably in a similar post, would be expected. A knowledge of the travel industry would be an advantage but is not essential. The principal working language of the company is English but a knowledge of Arabic would be an asset.

A generous remuneration package will include a salary in the region of £20,000 (paid in Saudi Riyals), furnished accommodation, a car, one month's annual leave and fares to and from country of origin. The initial contract would be for two years.

Applications, enclosing a current curriculum vitae, should be addressed in confidence to Box A.5894, Financial Times, 10, Cannon Street, EC4P 4BY.

BORED

With Accountancy or Law?

If you are qualified or semi-qualified but find your chosen career no longer suits your temperament you could embark on an exciting new career with the "CITY" Group, without sacrificing your living standards or career expectations. Future prospects are excellent with promotion to Group Manager probable within one year and Directorship of one of our subsidiaries available in the second. We will guarantee your present income (up to £8,000 p.a.) and give first-class training backed by full field support to train you to promote and sell our wide range of office equipment and services in Central London. The financial rewards are also exceptional with most of our sales force earning in excess of £10,000 p.a. and Managers in excess of £15,000 p.a. (Director's salaries are substantially higher).

To arrange an appointment for an initial discussion telephone Mrs. Hindcliffe on 01-729 2727.

or write to:

CITY BUSINESS MACHINES LTD.,
Centric House, Bethnal Green Road,
London E1 6J.

Jonathan Wren Banking Appointments

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BANKING HALL MANAGER

One of London's leading Accepting Houses will shortly be opening a Banking Hall in Manchester, to provide a full range of banking services to individuals, partnerships and companies. The key post to be filled is that of Manager.

If you want the satisfaction of building a business, an unusual degree of independence and the chance to develop your career; and if you possess a distinctive personality, a wide range of interests and suitable banking experience, you may wish to respond to this challenge. Assisting in the recruitment of the supporting staff will be amongst your early responsibilities.

The post carries an attractive salary and fringe benefits which include non-contributory pension and subsidised house loan.

Please write with full details to
KEN ANDERSON (Director), or telephone
ROY WEBB

170 Bishopsgate London EC2M 4LX 01-623 1266/7/8/9

CHARTERED ACCOUNTANTS

INTERNATIONAL BANK

to £8500 + major benefits

Our client, a major international corporate bank, is undergoing considerable expansion throughout the world. The development, review and control of operational and information systems and procedures at the bank's autonomous branches is of vital importance.

The Accountants will be key members of a small team assuming individual responsibility for projects in Europe, the Far East, the Middle East and South America. Based in London they will provide consultancy services to branches and affiliates, assist in training and carry out specific systems reviews, gaining substantial exposure to both senior management and computer systems development.

The benefits offered include profit sharing and low interest mortgage facilities. Applicants (male or female) should be qualified chartered accountants with computer audit experience.

Please telephone or write to David Hogg ACA quoting reference 1/1792.

EMA Management Personnel Ltd.
Burne House, 88/89 High Holborn, London, WC1V 6LR
Telephone: 01-242 7773

Fund Management

Far East
£8,000-£12,000

Our client is a major Unit Trust and Investment Management company. They seek an additional person to specialise in the Far East as an integral part of their investment team.

The successful applicant is most likely to be in his/her late twenties or early thirties with at least five years' investment experience gained through research and management. Specialist knowledge of the Far East would be ideal but a good understanding and the ability to look objectively at these markets are the prime criteria.

It is envisaged that this position will appeal to an ambitious individual who is keen to progress in a dynamic environment. For the right person the remunerative package will be excellent.

Please contact F. J. Stephens who will treat all enquiries in the strictest confidence.

Stephens Selection

35 Dover Street, London W1X 3RA. 01-493 0217
Recruitment Consultants

YOUNG BANKER, c. £10,000 Invest-
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excl. Good education. Senior post.
Exp. benefits. Salary West. 01-499
5204, West One Apprs.

Surrey

C&L

c.£12,500 + car

FINANCIAL DIRECTOR

The Company An important subsidiary of a substantial international group, the U.K. company manufactures and markets a range of home improvement and industrial building products under internationally known brand names. It employs about 200 people, has a number of small production units in the U.K. and turnover is running at £11m. per annum.

The Job To head the finance function in the U.K. and to play a positive commercial role in the management and development of the business.

The Candidate A qualified accountant, aged from 30, who can span financial accounting, costing, management accounting and the company secretarial function. Some industrial experience is essential but this need not have been in high technology or complex processes.

Initial salary negotiable around £12,500 plus car and good fringe benefits. Prospects of advancing relatively quickly beyond the figure mentioned are good.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to E. J. Robins, Executive Selection Division at the address below. Please quote reference RF554 and include, if possible, a daytime telephone number at which you may be contacted.

COOPERS & LYBRAND ASSOCIATES LTD.

Management Consultants
Shelley House, Noble Street, London, EC2V 7DQ.

ABU DHABI INVESTMENT AUTHORITY

The Bond and Equity Department requires:

INVESTMENT MANAGERS

Candidates should have several years experience of managing a discretionary portfolio of Equities and Fixed Interest Investments in either North American, European or Far Eastern markets. Ref.: 957/FT.

INVESTMENT AND CREDIT ANALYSTS

Candidates should have received a thorough training and some practical experience in analyses of securities in the markets mentioned above. Ref. 958/FT.

Ideal candidates will be in their late twenties or thirties and must be prepared to spend five years or longer living in Abu Dhabi. Free accommodation, car or transport allowance and free medical facilities will be provided. Salary is free of tax in Abu Dhabi.

Please write or telephone for an application form quoting the particular reference number to:

W. L. Tait,
Touche Ross & Co.,
Management Consultants,
4 London Wall Buildings,
London, EC2M 5UJ.
Tel: 01-588 6644.

Chief Accountant

West Midlands c. £9,000 + car

With sales turnover and payroll each well into nine figures, an eight-figure inventory and a five-figure labour force, the role of the Chief Accountant at the biggest U.K. division of a major international group demands a combination of all-round accounting skills and managerial ability together with a sound, practical awareness of the part which accountancy has to play in the day-to-day guidance and control of the business. As market leaders in a technologically biased sector of the consumer durables industry, the company's financial controls have not always been good but they have improved substantially and the occupant of this post will play an important part in continuing and consolidating that improvement. For a qualified accountant with the right experience, perhaps in sophisticated domestic appliances or even the automotive industry, age is less important than personality and innate ability. Please write with full career details to Malcolm Green.

Applications, which may be from male or female candidates, will be treated in complete confidence and should quote reference 6129/MCG.

BROOK STREET EXECUTIVE RESOURCES LIMITED

47 Davies Street, London W1Y 2LN. Telephone 01-499 7382

MINING INVESTMENT ANALYSTS

Unusual opportunities for young self-starters with basic investment experience and a knowledge of mining/mining economics. Travel and work abroad. Contact:
HUNTER PERSONNEL (UK) LTD.
49 London Road, Sevenoaks
Kent TN1 1SA - Tel: 0732 64307

Financial Director

Major Operating Division up to £14,000 + car

Hestair Limited is a diversified British public company whose turnover has risen from £2m to over £60m in the last seven years. The company operates in four main sectors broadly within the fields of engineering and consumer products.

The position offered is Financial Director of the agricultural engineering division - Hestair Farm Equipment Limited. This division has around five hundred employees and a turnover of £9m. with approximately 25% exported. It operates from four manufacturing centres located in the South East and Midlands. Substantial emphasis is given to new product development particularly in the areas of seed drills and harvesters.

The Financial Director will be responsible for the whole financial function of the division and in particular for developing the systems of two recently acquired subsidiaries. He/she will report to the divisional Chief Executive with a strong functional link to the Group Financial Director via a highly developed group budgeting and reporting system.

The person appointed will also be expected to make a major contribution to the

policies and development of the division at Board level.

The successful candidate must meet the following requirements:

- ★ aged 30 to 40
- ★ professional qualification ACA or ACMA
- ★ substantial industrial experience in costing and systems development, preferably in engineering
- ★ a strong bias towards management accounting and tight financial control
- ★ highly intelligent, articulate and mentally tough.

Conditions of service are excellent and reflect those of a progressive company committed to profitable growth. Full allowances will be made for relocation expenses.

If you feel that you can meet this specification and would like to work with a group of young, vigorous and professional managers, write enclosing a full curriculum vitae or telephone for an application form to: Richard Raworth, Financial Director, Hestair Limited, 10 Castle Hill, Windsor, Berkshire SL4 1PD. Telephone Windsor (07535) 54945.

Hestair Limited

GROUP ACCOUNTANT

LLOYD'S INSURANCE BROKERS

LONDON-CITY

up to £14,000 + car

A small quoted Company with subsidiaries engaged in insurance broking and underwriting agency management at Lloyd's requires a Group Accountant who must be both qualified and experienced in Lloyd's accounting procedures.

Age is immaterial but an ability to get on with the job and with people is essential.

Benefits include a non-contributory pension scheme, free BUPA and modern offices close to Lloyd's.

Please apply in confidence (stating any Company to which you do not want your application to be forwarded) giving brief personal and career details quoting ref FT/1mw 911 to:-

NEVILLE RUSSELL & CO
30 Artillery Lane Bishopsgate
London E1/7LT

Trainee Investment Analyst

£2599pa - £4017pa incl.

The Electricity Council is the central co-ordinating body of the electricity supply industry in England and Wales.

We are looking for a young man or woman to train as a junior analyst, in the Investments Branch, which manages pension funds covering more than 165,000 employees within the industry. The current value of the assets under supervision is around £1,000 million, and the Funds are continuing to expand. The assets comprise fixed interest investments, ordinary stocks and shares and property, both within the UK and overseas.

You would be joining a small team monitoring stock exchange investments. A relevant degree, preferably with an economic bias, plus some knowledge or experience of banking and accountancy will be an advantage. You should have a genuine interest in, and understanding of, the workings of the economy and the role of the Stock Exchange.

Please write giving details of age, qualifications and experience quoting ref FT/228 to:-

Ouncan Ross
Recruitment & Development Officer
The Electricity Council
30 Millbank, London SW1P 4RO

ELECTRICITY COUNCIL

MANAGEMENT ACCOUNTANT

£6500+

The F.T. Business Information Ltd., a subsidiary of The Financial Times Group Ltd., requires a qualified ACMA or ACCA to be responsible to the Group Management Accountant for all the Management Accounting requirements of this subsidiary.

Applicants, aged 28-35 years, should have had extensive experience with a major industrial or commercial enterprise with knowledge of computerised accounting a useful asset. F.T. Business Information Ltd. is an important and expanding area of the Group which markets business information through its comprehensive library service, publishes a wide range of newsletters as well as the syndication of articles appearing in the Financial Times.

The job entails the preparation of monthly management accounts and to assist with the preparation of annual accounts, the budget and forecasts.

In addition the successful applicant will, in liaison with the Managing Director and Group Management Accountant assist in the development of projects analysis, costing exercises, capital expenditure assessments and other related activities. Prospects are good for a person with drive and personality who can work on their own initiative. The final salary will be according to age and experience, with the usual company benefits.

Please write with full c.v. to Personnel Department, The Financial Times Limited, Bracken House, 10, Cannon Street, EC4P 4BY.

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GROUP FINANCIAL CONTROLLER

London £10,000 plus

Our client is a diverse and profitable British manufacturing Group, growing organically and by acquisition. The Controller will be responsible to the Group Finance Director for the integrity of the systems and controls in the operating Companies.

Candidates will be qualified with substantial experience in manufacturing, ideally in both subsidiary and head office environments, which will include systems and EDP, internal audit and costing, and will have a flair for innovation.

Benefits include a car, help with relocation and the excitement of working in a small team at the top of a fast moving group. Write to Peter Raynes, with sufficient information to make a form unnecessary, quoting reference number 1209, or ring our 24 hour personnel service on 01-526 1854.

PETER COUNSEL Limited

Executive Recruitment

The White House, 8 High Street, Guildford, Surrey, GU2 5AJ

مركز التوظيف

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

CONSTRUCTION

Waterproofs the mix

A CONCENTRATED liquid waterproofer for use in cement mixes to provide permanent waterproofing properties has been introduced by Index Finishes (UK), Index House, Dawkins Industrial Estate, Poole, Dorset BH15 4JY (02013 78861).

Index Integral Waterproofer, as it is called, may be incorporated into mass and reinforced concrete, precast, ready-mixed concrete, renderings and screeds. It is said to have no effect on the setting time of mixes and does not cause corrosion of reinforcement or stressing wires. Workability is also claimed to be improved, allowing a reduction of the gauging water by 10 per cent.

known for quality

Holland, Hansen & Cubitts Limited
Thorney Lane
Iwer Bucks SL0 9HG
Telephone: 0753 652444

MATERIALS

Expands on exposure to light

AN EXPERIMENTAL material that expands by about 35 per cent in each of its dimensions when exposed to ultraviolet light has been synthesised and is being studied at IBM's Research Division. The expansion corresponds to a change of about 145 per cent in volume.

The material is a jelly-like substance synthesised from two organic compounds containing the elements carbon, hydrogen, oxygen and nitrogen.

IBM says past experience has shown that materials which undergo dimensional change, especially where surface relief is concerned, have proved to be

useful in printing and information display technologies and the suggestion is made that a substance such as this, which swells upon irradiation, might allow production of printing plates via a computer-controlled ultraviolet light source without the use of solid type.

Similarly, perhaps a lens or optical mask could be used to focus an image onto the surface of the material, as in photocopying. But such uses are far down the road, it is added.

More details may be obtained from International Business Machines Corporation, Research Division, P.O. Box 218, Yorktown Heights, N.Y. 10598 USA.

METALWORKING

Heavy-duty bending rolls

BENDING roll division of Press and Shear Machinery Company has obtained the exclusive UK agency for the Heisteel range of light, medium and heavy duty power operated bending rolls. This represents an enormous range of size and types with capacities of working lengths up to 6,000mm and thickness up to 50mm.

Heisteel claims world leadership in the design and manufacture of high quality bending rolls and, after a long period of development work and practical experience, is in a position to meet any requirements so far as rolling of cold plate is concerned, with greater control and accuracy of rolling and thus a greater degree of repeatable accuracy.

The range runs from the type Fix-L, a low priced and simple pyramid roll for occasional use at repair shops and in light sheet

metal industries, to a fully-automatic 4-roll machine with a 50 cylinders per hour capacity. All machines over 3000 mm length rolls are fitted with bottom roll support as standard. In addition to its standard machines, Heisteel has a flexible programme to manufacture machines of special design upon request.

Press and Shear, Coronation Road, Park Royal, London NW10 01-640 3211.

Chevron Overseas Finance Company

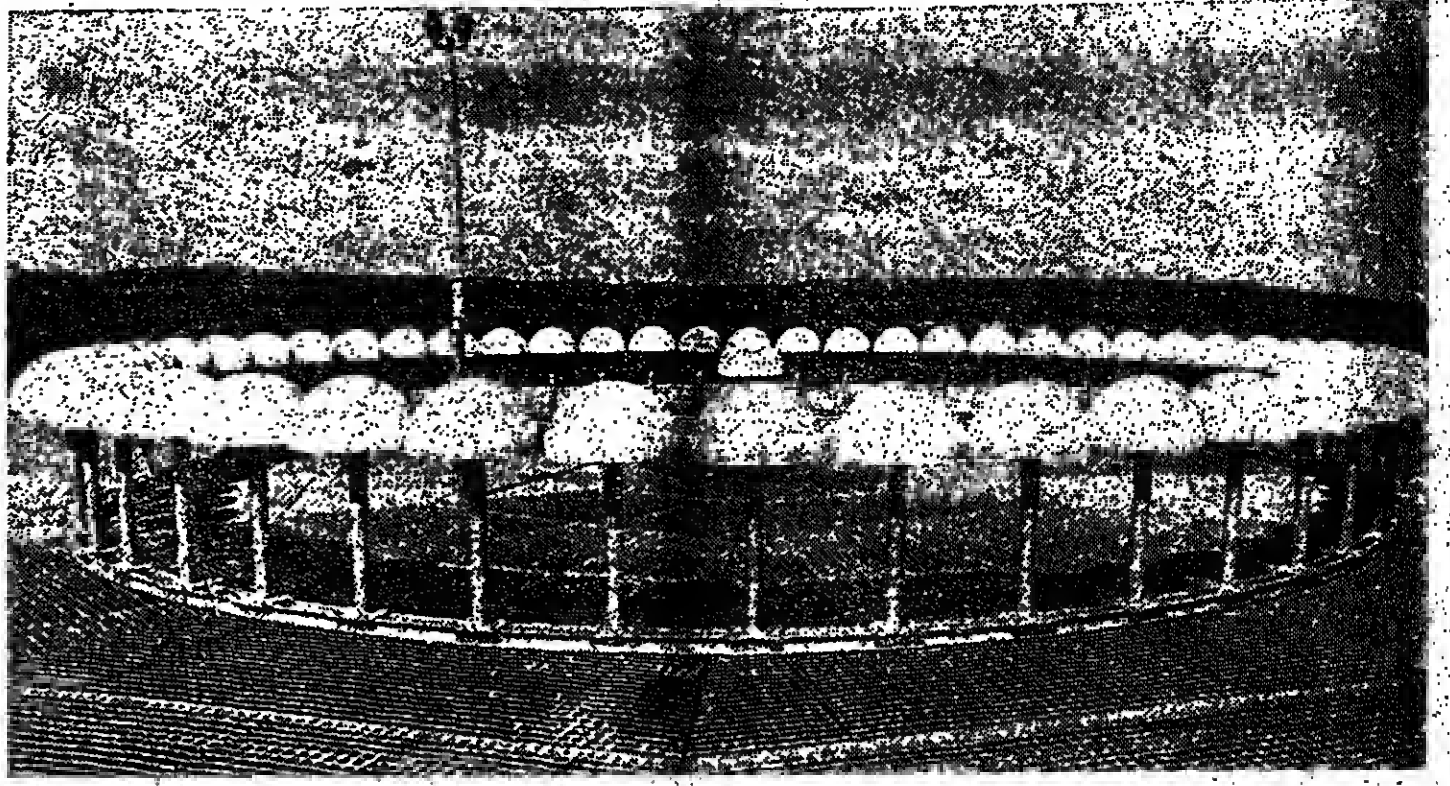
7% Guaranteed Sinking Fund Debentures Due February 1, 1980

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Fiscal Agency Agreement dated as of February 1, 1968 under which the above-described Debentures were issued, Citibank, N.A. formerly First National City Bank, as Fiscal Agent, has selected for redemption on February 1, 1979 (the "Redemption Date") at 100% of the principal amount thereof (the "Redemption Price") plus accrued interest to the Redemption Date, payable in U.S. dollars through the operation of the Sinking Fund provided for in the said Agreement \$3,500,000 principal amount of Debentures of the said issue of the following distinctive numbers:

COUPON DEBENTURES OF \$1,000 PRINCIPAL AMOUNT OUTSTANDING

2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000
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This aircraft navigation aid has been supplied by Plessey Radar and is now operating at Konnerud near Fornebu Airport Oslo, Norway. The equipment enables all aircraft fitted with the appropriate receivers to obtain bearing and homing information for en-route and terminal navigation. An inherent advantage claimed for the system is that the radiated signals are not adversely affected by reflections from the surrounding terrain. This has enabled the equipment to be sited on the extended centre line of the runway despite the tree covered, hilly surroundings. Aircraft can now be positioned directly on to the ILS approach. The system is designed for remote unattended operation. It is a dual system with automatic switchover and battery standby and can be supplied in a number of configurations depending upon user requirements.



EXHIBITIONS

The travails of a Victorian tribologist

ARE YOU sitting comfortably, dear readers? Then we shall begin. . .

Once upon a time, a 100 years ago, there lived a free-lance engineer called Beauchamp Tower. The word tribology was not then known. It means the science and technology of interacting surfaces in relative motion (and the practices related thereto), including the subjects of friction, lubrication and wear.

The Institution of Mechanical Engineers prefers the description—'study of friction, lubrication and wear in bodies moving against each other at high velocity.'

Whichever, this is the technical page, and the subject of tribology is to be taken as

seriously as it was by the aforementioned Mr. Tower who, a century ago, was asked by the Institution to investigate friction between bodies moving at high velocities . . . etc, etc.

Inadequate lubrication was the stumbling block—preventing more efficient and high powered machinery from being developed.

Although he died on his bicycle while riding off to visit his mother, Mr. Tower, nevertheless, managed to complete his experiment which showed the importance of oil pressure in lubricated machinery, and the observations he made led to the theoretical explanations upon which all fluid lubrications theory has since been based.

Now, the grand daddy of tribology is to be honoured in

a special event to be held at IMechE headquarters at Bridge Way, Westminster, London SW1, on February 20.

A lecture and exhibition comprise the tribute. Professor Alastair Cameron of the Imperial College Department of Mechanical Engineering is to give the lecture during which he will follow Tower's experiments describing the benefits and advances in the field of lubrication and friction which have been made as a result of the Victorian's work, and bringing to the fore those problems still outstanding.

The Science Museum has organised the exhibition which is intended to show Tower's life and work, and some of the principles involved. This will remain at IMechE for two weeks

before embarking on an extensive national tour. Part of the exhibition will include a working model illustrating the original Tower experiment and the effects he observed. A replica of a bearing from Stephenson's "Rocket" will demonstrate methods of lubrication before Tower's discoveries, and other models, some working, will show how his ideas changed.

In addition to the static display and working models the exhibition, sports a slide and tape show. Both lecture and exhibition are open to anyone to attend; the lecture is to be given at 6 pm and the exhibition will be opened shortly beforehand.

More from IMechE on 01-839 1211.

DATA PROCESSING

Promoting small machines

DISTRIBUTION Computer Services, a Manchester-based company specialising in the provision of computer systems and services for the distribution industry, has signed an agreement with Texas Instruments whereby DCSL will supply to TI DS990/10 disc-based business computer system as part of a package specifically aimed at wholesalers.

DCSL, which is offering its TI-based system throughout the UK, has ten years' experience in providing computer services for the distribution industry, with particular reference to systems for stock replenishing, financial control and gross-margin control.

Until recently, it operated as a real-time and conventional commercial bureau, but two years ago expanded its services to offer software and consultancy facilities for people who already had their own computers. The latest step in the expansion of DCSL's activities is to align with Texas Instruments on an OEM basis, and all the standard wholesaling packages developed by DCSL are being made available on the TI machines.

Texas Instruments, Manton Lane, Bedford, MK41 7PA. 0234 67466.

British companies show more goods abroad

DURING THE first three months of this year over 2,400 British firms, supported by the British Overseas Trade Board, will participate in 111 trade fairs and seminars in 23 different countries.

In Frankfurt next week (January 10-14), 136 British companies will display a large selection of textiles, including carpets, at Heimtextil, the annual showcase for home furnishing textiles.

A range of designs and craftsmanship in furniture will be shown at the 10th International Furniture Exhibition in Paris (January 11-15) by 59 British exhibitors.

At the Asian International Chemical and Process Engineering and Contracting Show in Singapore (January 16-19) there will be a British pavilion in which 40 firms will demonstrate examples of UK chemical plant, equipment and process technology to buyers from the SE Asia market.

An exhibition at the British Export Marketing Centre in Tokyo (February 6-10) includes

a seminar where a number of technical papers will be read. Twelve British companies will be represented. They will display specialised equipment and denote Britain's capabilities and experience in offshore and industrial marine technology.

A British group of 34 will exhibit household apparatus and electrical appliances at Domotex in Cologne (February 7-10).

Britain's leisure and outdoor life industry will be presented at the National Sporting Goods Association Show in Chicago (February 8-11) when 39 companies will exhibit their products.

A new international event in Bahrain (March 23-29) is the Middle East Oil Show, expected to attract buyers from the oil producing countries in the Gulf. In a British pavilion, the BOTB will support 65 companies with the co-operation of the Council of British Manufacturers of Petroleum Equipment and the Association of British Oceanic Industries.

Strong representation from

the UK (46 firms) is promised at the European Education Materials Exhibition, Düsseldorf (March 27-31) where firms will show their latest products and developments to an international audience.

The Board says that during 1978, with support from its trade promotion scheme, more than 7,700 British firms participated in 317 trade fairs and seminars in 52 countries. In addition, British business representatives from over 3,100 firms took part in 252 officially sponsored missions to 71 countries. The Board has also supported the promotion of British consumer products at 12 overseas retail store promotions.

Level of trade fairs activity last year—compared with 1977—showed a small increase, while the number of outward missions rose by about 12 per cent, and the number of participants increased by about 23 per cent.

TEXTILES

Water jet loom launched

THERE IS a growing controversy in weaving circles over the way future weaving technology will develop. One school believes in the multi-phase system, in which a large number of weft yarns are inserted into fabric simultaneously, and already looms of this kind are being developed in such countries as Britain, Czechoslovakia, Italy, Spain, Switzerland and the USSR.

The other school of thought believes in the insertion of single picks, but at extremely high speeds and from a large capacity weft supply. This type of development is characterised by air and water jet looms which are built in Switzerland, Czechoslovakia, and Japan.

Now, a completely new water jet loom has been launched from Italy, by the Meteor loom com-

pany which is situated in North Italy.

The machine being offered commercially is styled the JH 100 and is available for weaving in reed widths between 150 and 250 cm, with speeds up to some 650 ppm. The loom is also being offered with modest dobby or tappet patterning systems for making fancy cloths, although a Jacquard has not yet reached the market which will operate at these extremely high speeds.

This machine promises to be suitable for both filament and staple yarns—which is something of a departure from most water jets which are only being used for synthetic filament yarns such as nylon, polyester, etc.

It is being sold in Britain through Herbert Brown, Whiteley Street, Milsbridge, Huddersfield, Tel. 0434 651117.

This announcement appears as a matter of record only

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LONDON & CONTINENTAL BANKERS LIMITED

Agent

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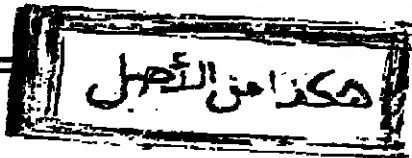
December 1978

The Debentures specified above are to be redeemed for the said Sinking Fund at the option of the holder (a) at the WGC-Corporate Bond Agency Services Department of Citibank, N.A., Fiscal Agent under the Agreement referred to above, No. 111 Wall Street, in the Borough of Manhattan, City of New York, or (b) subject to any applicable laws and regulations, at the main offices of Citibank, N.A. in Amsterdam, Frankfurt (Main), London (Citibank House), Milan or Paris, at Citibank (Belgium) S.A. in Brussels, or at the main office of Amsterdam-Rotterdam Bank N.V. in Amsterdam or at Kredietbank S.A. Luxembourg in Luxembourg. Payment at the offices referred to in (b) above will be made by a United States dollar check drawn on a bank in New York City or by transfer to a United States dollar account maintained by the payee with a bank in New York City on the Redemption Date, at the Redemption Price together with accrued interest to the date fixed for redemption. On and after the Redemption Date, interest on the said Debentures will cease to accrue.

The Debentures specified above should be presented and surrendered at the offices set forth in the preceding paragraph on the said date together with all interest coupons maturing subsequent to the Redemption Date. Coupons due February 1, 1979 should be detached and presented for payment in the usual manner.

CHEVRON OVERSEAS FINANCE COMPANY
By: CITIBANK, N.A.
Fiscal Agent.

December 29, 1978



THE MARKETING SCENE

Marketeers are once more pencilling in large sums for advertising in order to launch new brands, says Peter Kraushar, surveying current trends in new product development: 'They have seen too often what happens when markets are allowed to degenerate into commodity price wars.'

Bright spells expected

NEW PRODUCT development has been affected recently by a number of factors in different areas. Some of the more important ones are as follows:
Improvement in the UK economy. Even hard-boiled marketing men and development specialists are affected by the obvious improvement in the economy. Moreover, 'atmosphere' is more important than reality; nothing could be worse than the situation of 1973-76, so an improvement is regarded as halfway to a boom and budgets are again available for development. This is not as contentious as it sounds - companies must be reasonably optimistic about the future if they are to discover new market opportunities.
Price and quality. There is some evidence that the extreme price-consciousness of the last few years is on the wane. There are opportunities once more for products offering superior quality and/or convenience.
Yorkie has fared well though priced slightly above Cadbury's Dairy Milk. In frozen foods high priced cakes have prospered, in cake mixes expensive products such as Robertson's Candors and Green's cheese cake mixes have again done well despite their price levels. In pet foods Pedigree, Chum and Whiskas have gained ground, although they are both premium brands.
In many consumer markets - food, drinks, textiles, and so on - UK quality has fallen compared with the rest of Europe. As our disposable income improves there should be more scope for quality products. Naturally this will be much more true for some markets than others, as the need for pricing or value research to establish what the market can bear, will be greater than ever.
Trade and consumer acceptance. Both retailers and consumers have continued to accept new products.
Grocery distribution changes may seem a little lower than in the past, but products like Animal Biscuits, Fire, Pints, Heinz Big Soup, Hovis Crackers and Bovril Cubes have all achieved trial success of at least 25 per cent and a buying level in recent times of at least 10 per cent - reasonable figures by most standards.
Moreover, there have been a number of other development successes - for example, Bass Charrington's Hemeling, Weetabix's Weetabix, soft bubble gums such as Lifesavers Bubble Gum, McDonald's new foods including three outlets with an annual turnover of £1m each, Spillers' Cook-in-Sauces, instant noodles such as Golden Wonder's Pot Noodle, United Biscuits' United, Lofite, Hoit Lloyds' Contour and Colour Cut.
All these successes are evidence that both the retail trade and the consumer have been willing to accept new products and that the market situation has encouraged the right opportunity. The general situation should undoubtedly be even more propitious over the next few years.



than using own label for low price goods only.
Among consumer goods companies show clearly that development activity is increasing; more launches are being planned than in the past few years; there is more interest in acquisitions; and joint ventures of all kinds are being pursued. About half the large consumer goods companies have a specialist development department, but many others, especially those operating in current markets rather than seeking diversification, have found it preferable to keep new product development within the responsibility of the marketing executives also in charge of existing brands.
Companies have at last become much more aware of the need for really senior executives in the development of new products. A survey of the staffing in research and development departments of consumer goods companies has shown that in many cases there is reliance on very senior people. There has also been a trend to recruit senior staff by companies in this area, because it has been found more practical and cost-effective to have a small number of senior executives within the company using outside specialists of all kinds as a back-up.
Some continue to depend a great deal on their advertising agencies, but another survey has clearly confirmed that advertising agencies are not generally regarded as able to make an important contribution until the exact development opportunity has been pinpointed and evaluated. The large proportion of consumer goods companies using specialist development consultancies has been an eye-opener and clearly this kind of service has a future.
There is no substitute, however, for a motivating force at the top. Case histories of successful companies repeatedly show that the main difference between them and the less successful ones is not their better ideas or use better techniques but that top management - often the chief executive himself - is sufficiently involved to preclude any problem about lack of decisions to pursue the right projects or lack of commitment in every part of the company.
The other main difference between successful and unsuccessful companies seems to be in the former's much more painstaking approach to implementation of the product. Many companies continue to make a complete hash of the best of ideas, whereas a poor idea in the hands of a very efficient company can be turned to real success. The gap between the two seems to be widening.
Finally, it has been a constant puzzle why very large and efficient food processors have remained content with the inadequate returns in food processing and the attention that food always generates on the part of government agencies. It is true that it is more difficult for such companies to diversify into non-food manufacturing or into retailing, but the existence of considerable resources, including strong commercial management in many cases, must make it worthwhile seeking greener pastures, especially as there are still relatively uncompetitive markets where very unsophisticated companies obtain huge returns on capital.
One or two food processors are beginning to see the light, but there is surely much scope for an increase in this kind of activity, which should be helped by the supermarket chains' move towards non-foods. It is also noteworthy that many of the large U.S. food processors have diversified very widely, often with success.
A feature of successful product launches in the past year or so is that heavy media advertising has been used in many cases as it had been up to 1973. Thus both Yorkie and Bubble Gum, for example, were supported by about £1m spent on media and many other products have received media expenditure of more than £500,000.
Companies are much more hard-headed about advertising expenditure than in the 1960s and early 1970s when virtually no one considered a new product without simultaneously pencilling in huge sums for advertising.
In general, though, companies are likely to go back to heavy advertising support to establish their brands. They have seen too often what happens in markets which are allowed to degenerate into commodity areas dominated by price wars. An important aspect recently has been the amount of Government interference. It is surprising that so little publicity has been given to the way that top management in even large companies has almost ceased to function because it spends its time working on submissions to the Monopolies Commission, the Price Commission, the Office of Fair Trading, and so on.
These may all be worthy bodies, but they do not realise or do not care about the havoc they have caused.
To sum up, prospects for development of all kinds are more propitious than they have been for some time. There have been some striking successes and the general situation favours many more in the future, though no one should underestimate the difficulties.

Finding a face to fit the product

BY MICHAEL THOMPSON-NOEL

AWAITING THE ARRIVAL of the snow plough on Tuesday eve, I tuned in to ITV for some innocent entertainment and was at once confronted by the androgynous charms of Stanley Baxter, covorting his way through a new Davidson Pearce commercial for Batchelors' Vesta range of complete dishes.
No doubt Mr. Baxter was selected for his multi-role part after considerable research; no doubt he will work miracles for Vesta's beef briam and the rest of the range.
But the use of celebrities and stars for the promotion of brands is not always successful. Graeme Rowe, chairman of the advertising agency Rowe and Partners, a subsidiary of Saatchi and Saatchi, observed last week that in his view, British advertising last year was in part characterised by an amazing over-exposure and misuse of various personalities. From Kenny Everett and Terry Wogan to the motorcycle champion, Barry Sheene.
The virtues of using a personality for brand endorsement are easily stated, says Mr. Rowe. "A given personality usually has an authority, sometimes borrowed from the film or TV series in which he or she has starred, that can be used to enhance the product. Naturally it works best when the personality of the star and the personality of the product are directly compatible. Sportsmen, for example, usually denote masculinity.
But there are obvious pitfalls. I cannot help feeling that Kenny Everett, who is exten-

sively used for presentations and voice-overs, is now getting in the way of the products he advertises. The same goes for Terry Wogan, who is already over-exposed on the BBC as an entertainer.
"Perhaps my pet hate of the year on TV was the Igersoll/Barry Sheene commercial. It was inept, badly produced, irrelevant and featured a 'personality' who appeared to be dragged into a jeweller's shop, on his motorcycle, for no good reason. I could see no hint of a strategy.
"An excellent example of the proper use of personalities was the James Hunt/Eric and Ernie advertisement for Texaco. Hunny Cooper is an enchanting individual, but there is a danger that too much use is being made of him. The same applies to Penelope Keith. She was superb in the Parker Pen commercials, but may now be in danger of too much exposure.
John Webster, creative director at Boase Massimi Pollitt Univas, agrees with Mr. Rowe on the virtues and dangers. "Very often, personalities are used in lieu of a proper idea. The net result can be David Niven with nothing but banalities coming out of his mouth, as in the Maxwell House commercials. That is a tragic waste of David Niven.
"Equally, where a commercial is really well-written and entertaining, it can sometimes entirely obscure the product. A current example is probably the Two Ronnies' advertisement for British Leyland.

"Penelope Keith was perfect for Parker Pen and James Hunt was brilliantly right for Texaco. It might not sell any more petrol, but how on earth do you sell petrol anyway?"
One of Boase Massimi's most famous campaigns that employed celebrities was the Muhammad Ali/Spoke Milligan/Frank Muir work for Unigate milk. "We used those three to give the brand a sense of weight and impact on a national scale. Did it work? "Devastating!"
Mike Bellgrove, creative director at Euro-Advertising, says the agency very deliberately chose Richard Sullivan for its Solid Fuels Advisory Service work because Sullivan was thought to possess precisely the qualities of niceness, common sense and conviction that go with home comfort. "A celebrity gets you instant attention and recognition. If he then goes on to enhance the brand, you're in business. The Sullivan commercials have sold a lot of coal appliances."
On the other hand, Mr. Bellgrove has no idea why Patrick Mower was selected (by another agency) to help sell Babycham. "It was a fundamental mistake. Patrick Mower's a tough guy. What has he got to do with Babycham?"
Tom Rayfield, an associate creative director at J. Walter Thompson, stresses that agencies must ensure that the celebrity doesn't bury the product. "Equally, the consumer is quite cynical. Even the C2 housewife is aware that famous people are paid large sums for starring in



Sancy maid: Stanley Baxter stars in a £400,000 Davidson Pearce TV campaign for two new recipes in Batchelors' £14m Vesta range.

ads. She mustn't form the impression that he's only doing it for money.
"JW's two most famous personality campaigns are for Lux toilet soap and Rolex watches. But it has also used Vincent Price to help push Haywards Pickles to brand leadership. And in the case of Mr. Kipling, it actually invented its own celebrity to help sell Mamor Bakeries' line of packaged cakes. Mr. Kipling has worked exceedingly hard, so much so that the brand now has 30 per cent of its sector and retail sales of £50m-plus.
Where that leaves Barry Sheene, to say nothing of the cast of thousands seen recently in the Woolworth Christmas commercials, I dare not guess.

Holiday market warming up

THE BATTLE for what is expected to be a bumper 1979 holiday market is hotting up.
Butlin's for example, is halfway through an £850,000 Press and TV campaign via Manton Woodyer Ketyley. Two new 30-second commercials feature the successful Venusian characters, Toot and Ploot, this time joined by a younger member of the family, Hoot. The Press work has already included one of the

first colour page ads to appear in the Daily Star.
Bookings this year are already ahead of the level seen at the same time last year. In 1978, Toot and Ploot helped Butlin's excel in what had been expected to be a depressed year for domestic holidays. First-time guests at Butlin centres were up by 19 per cent; overall business was ahead by 7 per cent.
DIRECT ADVERTISING, a

subsidiary of Boase Massimi, has been appointed by Lex Vehle Leasing. The anticipated spend: £100,000.
BROOKE BOND OXO launches a £500,000 TV campaign for Dividend D tea bags on Monday. The brand claims 5 per cent of the tea bag sector.
ALTHOUGH the main British-grown credit card companies have been operating for a considerable time, forecasts of a cashless society are in no

way materialising, says Mintel, the market research company, in its latest report. Allowing for duplication, total UK credit card ownership is put at around 8.6m. A sector with large growth potential is said to be company cards: Access has already issued 25,000, and Barclaycard more than 32,000 to some 5,000 companies. The average credit card transaction remains small; between £12 and £25.

What to learn from 1978?

Memories are short. So the Investors Chronicle has compiled a unique statistical guide to give readers a comprehensive financial, investment and business record of what actually happened in 1978, complete with easy-to-follow graphs and tables. It will serve as a work of reference throughout 1979.

- The Annual Review of 1978 includes:
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• British companies' profit performance in 1978.
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Also in this week's issue our forecasts and share recommendations for 1979 as well as our regular coverage of investment, finance, business and companies.
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Projected growth of UK population by 1991, 3.8%. Southern 14%.
The South is a thriving, affluent and above all growing area. Despite the low growth rate of the UK population, the South is growing apace.
Between 1971 and 1977 our population grew by 3.3%, while the nation as a whole managed just 0.5%.
By 1991 our population is expected to be some 14% higher than today - with 5.1% natural growth (good news for nappy manufacturers) and 8.9% accounted for by newcomers to the area.
Quite simply, the South is an area where people want to come to live, work... and spend. You can reach this growing market with Southern Television.
That's the Southern difference.
*1991 Projection, Office of Population Censuses Surveys

SOUTHERN TELEVISION

For further information contact Brian Henry, Marketing and Sales Director, Southern Television Limited, Glen House, Stag Place, London SW1E 5AX. Telephone: 01-834 4404

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LOMBARD

Converging on the EMS

BY PETER RIDDELL

THE SUPPORTERS of the new European Monetary System have had a hard time in the past two or three weeks and there has been more than a little gloating and self-satisfaction in London about the interminable birth-pangs. But, whenever the EMS finally starts, the test of its long-term durability and success will be nothing to do with the current row over farm subsidies but will depend on a convergence of inflation rates at as low a level as possible.

This topic was recently discussed in detail by the Economic and Financial Directorate of the EEC Commission in the first issue of what looks like being a useful new publication entitled "European Economy". Ironically, the report provides little comfort for the advocates of EMS and some further, though not decisive, support for the sceptics.

More closely

The starting point is the view that "both economic policies and performance must converge more closely if the EEC is to make progress towards economic and monetary integration, and in particular to introduce a successful EMS in the near future." The basic condition is a narrowing of inflation differentials.

No EEC country had an average inflation rate from 1958 to 1967 which was substantially different—more than 21 percentage points—from the community average. Only one country was out of time between 1968 and 1973, but in 1974 there were six countries and no less than seven between 1975 and 1977. There were still four countries with substantially different rates last year.

But this may not be the best guide since the core of the exchange rate mechanism—the parity grid—depends not on relationships with an average but on each currency with the other one. This involves keeping up with the best performers. The most suitable yardstick here may be the inflation rate in what the report coyly calls the most stable member state, or West Germany as it is perhaps more commonly known.

On this basis average inflation rates from 1958 to 1973 were

Two-fold

The EEC report does not forecast inflation rates but the recent OECD Economic Outlook suggests that there may only be limited further convergence this year. The average rate of consumer price inflation is 63 per cent between 1978 and 1979. But the highest rate, in Italy, is only expected to come down from 120 to 101 per cent between the two years and virtually no change is expected in the West German rate at around 25 per cent. This makes 6 per cent margin with other currencies easy to appreciate.

The EEC review also discusses differences in income and output between the countries and outlines a two-fold measure of convergence combining inflation and growth rates. The overall picture shows an appreciable recovery since the rapid deterioration of the early 1970s, but a distinctly less favourable overall position in 1978 than a decade ago.

None of this is, of course, conclusive and there are plenty of other pressures on exchange rates, notably relative monetary growth and shorter-term capital flows. Moreover, the immediate fate of EMS may depend more on the dollar than on anything else. But the limited degree of convergence of inflation rates provides a useful proxy for the long-term pressures pushing apart any structure of closely-linked currencies. So if the governments of Europe really want to make EMS a lasting success, they will quickly have to produce monetary and fiscal policies which are consistent with convergent inflation rates.

"European Economy," No. 1, Commission of the European Communities, price £16.00 for three issues per year.

Employment agencies and the Community

THE FREEDOM of anyone properly established in an EEC country to provide services throughout the Community, might be greatly enhanced by two law cases, (nos. 110/78 and 111/78), now being considered by the European Court.

That would be so particularly if the Court adopted the opinion of Mr. Advocate General Jean-Pierre Warner. He has argued that the main question raised by these cases concerns an important principle of the EEC Treaty on "cross-border" services. According to this such services may be restricted only if their providers would otherwise escape from the application of professional rules (justified by the general good) applying to practitioners in the country where the services are to be rendered.

The European Court held in Van Binsbergen (Case 36/74) that this principle was implied in the Treaty. In the same judgment the court ruled that the guarantee of freedom to provide "cross-border" services contained in Article 59 of the Treaty became directly effective with the end of the EEC transitional period. Consequently the directives envisaged in Article 69 lose some of their importance and retained only an auxiliary function, particularly in respect of mutual recognition of professional qualifications.

The two cases now at issue were referred to the court from

Belgium and spring from an old feud between French and Belgian theatrical and artistic employment agencies. As these agencies appear to be outside the provisions of the EEC directive on estate agents and other business services (67/24), the court's decision is likely to concern, by implication, other categories excluded from the benefits of this directive, for example journalists, economic, business and employment consultants, and debt collectors.

The ruling proposed by Mr. Warner goes a long way towards the Commission's view. With the exception of certain categories such as transport, banking and insurance, which are subject to special rules, it would allow all those firms and individuals established in one EEC country to provide services in another country, provided that the two countries have equivalent legal safeguards for users, and also provided those cross-border services form only a part and not the mainstay of their activities.

More specifically, Mr. Warner proposed—"Since the end of the transitional period, Articles 59 to 60 of the Treaty have rendered it unlawful for a Member State to impose any restriction on the freedom to provide services in its territory of a private employment agency for persons in the entertainment industry established in another Member State and duly licensed to conduct

business there, if the legislation affords to persons, resorting to the agency, safeguards substantially similar to those afforded, in the case of an agency licensed in the former Member State, by the legislation of that State."

The two particular cases before the court also provide a wealth of information about the

countries including Denmark and Great Britain have legislation providing for the licensing of private employment agencies and affording substantially similar safeguards to those who use them. There is, for example, virtually no difference between the relevant legislation in Belgium and France—both follow the ILO Convention very

French-speaking this difference between charges became a great temptation for organisers of Belgian festivities. It became also a source of great vexation to the Belgian Union of Artists' Agents and Impresarios which objects to business going across the frontier to the cheaper French agencies. The Belgian organisation became embroiled in a dispute with the French Union of Artists' Agents which defended the right of its members to receive commissions from Belgium.

One of the two cases before the court involves a Belgian cafe manager and the other a Belgian restaurateur. They both engaged French entertainers through French employment agencies and together with the managers of the French employment agencies are now being prosecuted in Belgium. This is no small matter, for Article 27 of the Belgian Royal Decree of November 28, 1975, provides for the punishment by imprisonment for eight days or a fine of between 100 and 5,000 francs of any person who resorts to an unlicensed fee-charging employment agency or a foreign employment agency who places anyone in employment in Belgium.

The defendants in these prosecutions made much of the fact that the French employment agencies involved were duly licensed under French legislation which follows closely

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

specific problems of employment agencies in EEC countries. Most of the Continental members of the Community are hostile to, or at least suspicious of, private employment agencies operating for profit. All of them, with the exception of Denmark, have ratified the Fee-Charging Employment Agencies Convention (revised) 1949, also known as Convention No. 96 of the International Labour Organisation.

This convention, which the UK has not ratified, gives the signatories the choice between either a progressive abolition of fee-charging employment agencies seeking profit or their regulation by a "competent authority". In fact, with the exception of Northern Ireland, the EEC

They regulate the profit-seeking agencies and impose on them a number of rather onerous bureaucratic requirements.

Those inclined to believe that bureaucratic interference is not good for business might have second thoughts upon studying the Belgian experience. Restrictive Belgian regulations on the operations of employment agencies, and the price-fixing which are second nature to Benelux trade associations enabled the employment agencies to charge a 25 per cent fee on contracts arranged with entertainers and other artists. In France the fee charged by such agencies is only 10 per cent and as both countries are to a large extent

Mr. Warner, however, could think of no legal principle which enabled the convention to perform a role in community law. On this it is possible to disagree with him as the ILO convention was ratified by most Member States and the Court has to pay attention to the law of member States. He has, however, another good reason for rejecting the importance of the convention, finding it so vague that its interpretation can differ widely from one state to another—so much that the Netherlands which adheres to it has no adequate legislation on employment agencies and still less anything approaching the French and Belgian requirements. To adopt the Commission's suggestion would mean discriminating between agencies in different Member States on the basis of an irrelevant criterion, concluded Mr. Warner, and a conclusion which will not doubt be pleasing to the British employment agencies.

William III—the unpopular king

IN CONTRAST to James II, who took little interest in racing and breeding, William III at once became involved in both aspects of the sport and, in fact, has founded the Royal Stud of Hampton Court.

William, who was not generally liked at the best of times

with racing still abandoned because of the weather DOMINIC WIGAN, in this third article, continues his history of the "sport of kings."

by the followers of his new-found English pastime, made himself particularly unpopular at Newmarket by insisting on the enforcement of an Act ordering the seizure of any Catholic-owned horses valued at more than £5.

There was severe hindrance to racing, and led to many families giving up ownership of running the danger of racing under assumed names.

In Queen Anne the country had another sovereign with a strong attachment to racing, and she is probably best remembered on the turf for the race-course that owes its origin to her, Ascot.

It was in the spring of 1711 that Queen Anne, while travelling near Windsor Castle, came upon a stretch of heathland and decided it was ideal for racing. An announcement in the London Gazette stated that Her Majesty's Plate of 100 Guineas would be run for "round the new heat at Ascot Common on Tuesday, August 7th next, by any horse, mare or gelding, being no more than six years old the grass before."

Queen Anne employed the legendary William Gregor as her trainer, a man who had not only trained for King William, but who was later to handle the horses of both George and William IV. In a forthcoming book Royal Newmarket, R. C. Lyle tells us that some of Queen Anne's horses ran in Frampton's name, while others ran in her own colours.

starring Ian McKellen and Judi Dench

12.00 Rafferty

12.55 Ian McKellen Michael Burrell reads from the Diary of Nidosky

All IBA Regions as London except at the following times:—

ANGLIA

9.30 am Mando 9.45 Wilkie on Water

10.00 News

10.30 am Mando 10.45 Wilkie on Water

11.00 am Mando 11.15 Wilkie on Water

11.45 am Mando 12.00 Wilkie on Water

TV Radio

Indicates programme in black and white

BBC 1

9.55 am Paddington, 10.00 Jackanory, 10.15 Scooby Doo, 10.35 The Cossack's Horse, 11.00 Buck Rogers, 11.50 "Carson City" starring Randolph Scott, 12.45 pm News, 1.00 Pebble M.I.I., 1.45 Ragtime, 2.00 Teonis: The Braniff Airways World Doubles Championship, 3.53 Regional News for England (except London), 3.55 Play School (as BBC2), 4.00 am, 4.20 Dm and Pete, 4.25 Jackanory, 4.40 The Space Sentinels, 5.00 John Craven's Newsworld, 5.05 Blue Peter, 5.35 Ludwigs

BBC 2

11.00 am Play School, 11.15 Regional News, 11.25 News and Weather for Northern Ireland, ENGLAND—3.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Midlands West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 3

11.00 am Play School, 11.15 Regional News, 11.25 News and Weather for Wales, SCOTLAND—2.00-2.30 pm Race to the North, 2.50 Join BBC1, 3.00 News, 3.55-6.20 Reporting Scotland, 10.45 The Dooney that

BBC 4

11.00 am Play School, 11.15 Regional News, 11.25 News and Weather for Northern Ireland, ENGLAND—3.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Midlands West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 5

11.00 am Play School, 11.15 Regional News, 11.25 News and Weather for Wales, SCOTLAND—2.00-2.30 pm Race to the North, 2.50 Join BBC1, 3.00 News, 3.55-6.20 Reporting Scotland, 10.45 The Dooney that

BBC 6

11.00 am Play School, 11.15 Regional News, 11.25 News and Weather for Northern Ireland, ENGLAND—3.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Midlands West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

F.T. CROSSWORD PUZZLE No. 3362

Grid for crossword puzzle with numbers 1-27.

ACROSS

1 Best father on Radio 1? (3, 2, 3, 4)

10 Perpetually young hybrid eagles going to the south? (7)

11 Vociferate about former demand? (7)

12 Chilled leaving out the French youngster? (5)

13 Gas to plunder and the weapon for it? (3-5)

15 Nervous as a piano may be (10)

BBC Radio New Wavelengths

1 1635kHz/725m 2 1635kHz/725m

3 1635kHz/725m 4 2045kHz/1020m

5 2045kHz/1020m 6 2045kHz/1020m

7 2045kHz/1020m 8 2045kHz/1020m

9 2045kHz/1020m 10 2045kHz/1020m

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15 2045kHz/1020m 16 2045kHz/1020m

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19 2045kHz/1020m 20 2045kHz/1020m

21 2045kHz/1020m 22 2045kHz/1020m

BBC Radio New Wavelengths

1 1635kHz/725m 2 1635kHz/725m

3 1635kHz/725m 4 2045kHz/1020m

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RADIO 1

5.00 am News Summary, 5.02 David Allan including 5.15 Piano for Thought

5.30 am News Summary, 5.02 David Allan including 5.15 Piano for Thought

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6.30 am News Summary, 5.02 David Allan including 5.15 Piano for Thought

7.00 am News Summary, 5.02 David Allan including 5.15 Piano for Thought

RADIO 2

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RADIO 3

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9.30 am News Summary, 5.02 David Allan including 5.15 Piano for Thought

10.00 am News Summary, 5.02 David Allan including 5.15 Piano for Thought

CINEMAS

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Metropolitan, New York

The season at the Met

by ANDREW PORTER

The Metropolitan Opera's new production of Don Pasquale is not as desirable as its Bartered Bride, but is far from being a success. The piece was composed for the four singers generally reckoned to have the most beautiful voices and most accomplished techniques of their day...



Elena Obraztsova in "Werther"

Carreras, billed as Rodolfo, fell ill and was replaced on the first night by Carlo Bini, a useful all-purpose tenor, dependable, quite unmagical, energetic, enthusiastic to the point where each of his any-one-for-tenor entrances tended to get a laugh...

John Dexter produced. We didn't have broad glowing, and that was welcome. But, instead, we had a great deal of finicky fustian with large mounted butterflies, of which Pasquale was a collector, with a long cigarette-holder during Norina's aria, with Ernesto's glasses, which he whipped off whenever he thought of Ormet Norina, with a coat, fake — do put it on and leave; no I won't — that was not seven times as funny as its sixth repetition.

making him one Dexter bowed to, the inevitable, since Gedda can suggest Vashek even when he is playing Benvenuto Cellini. Only Hagegard's Malatesta was laid out on sensible lines. The orchestral playing under Nicola Rescigno was loud and heavy.

There have been various 'Tosca' casts. Ricciarelli took over the last Desdemona from Scotto. Judith Blegen sang Gilda. Obraztsova sang a Carmen that was said to be crude, and then over the air I heard Crespin once again provide the rare pleasure of hearing the text beautifully and eloquently pronounced.

Record Review

A neglected Baroque master

by NICHOLAS KENYON

Zelenka. The Orchestral Works, Capriccios I-V, Sinfonia a 8, Overture a 7, Concerto a 8, Hippocentric a 7, Hollinger, Tuckwell, Ehorst, Ronich, van Wijkooop, Jaccottet, Camerata Bern, DGG Archiv 2710, 028 (3 records) £14.25.

church music at the Dresden court. Zelenka received the post of 'church composer', but this had to be shared with the complete nonentity Tobias Buz. Yet it is instructive to recall that another composer connected (in an honorary capacity) with church music in Dresden during the 1730s was Johann Sebastian Bach. And when the biographer Forkel asked Bach's son Carl Philipp Emanuel which composer the elder Bach had most highly respected during his lifetime, his first thoughts were: Handel, Hasse, Graun, Benda and Zelenka.

music is managed with a very sure touch; folkiness never clashes with baroque gravity, and this element in his work seems to be in direct line of descent from the early baroque Bohemian masterpieces of Biber and Schmelzler.

Oxford Playhouse

City Delights by GARRY O'CONNOR

That a revue is only as good as its sketch-writers, a comedian as good as the man who thinks up the gags, is such an obvious axiom that one questions why in this Arvil production no effort is directed in the programme to identifying the authors of any of the humorous sketches and musical items (nearly 40 in all).

vice run by an Australian, leaving the office of an evening, strolling up Shaftesbury Avenue, pigeons in Trafalgar Square. There is a reworking of Wordsworth's sonnet, Upon Westminster Bridge ("This city now doth wear a concrete overcoat"). Advice about recognising foreigners ("the Italian: a cowardly haritone driving around in a car smaller than himself, looking for a divorce"). Pornography comes next.

sketches lack punchlines, though some begin well enough. Visual presentation, by means of screens with back-projection, is first-rate. The music is excellent, a five-piece band on stage throughout, each of whom displays versatility and style.

Covent Garden

Salome

by ELIZABETH FORBES

August Everding's production of Salome was revived at Covent Garden on Tuesday night with a new conductor and new singers in the three principal roles. In all three performances of Strauss operas, especially those constructed, like Salome, round one female protagonist, the conductor must become a surrogate, as it were, for the composer in his unbroken love affair with the soprano voice.

and repulsion, in dizzily rapid succession. She builds up Salome's complex feelings for the Prophet with utter conviction, then, but does not quite manage to cross the invisible line into total obsession. Her dance, which she has apparently not herself attempted before, is athletic rather than erotic—it is hardly the right weather for a bikini—while her singing of the final monologue, beautifully phrased though it is, lacks the spine-chilling element of true mania.



Hildegard Behrens and Siegmund Nimsger

Hildegard Behrens, whose vocal interpretations of Salome is familiar from a splendid recording, is superlatively good in the early part of the opera. A spoilt, attractive teenager who has recently discovered the tremendous power inherent in her own sexuality, she aries in pure and secret enjoyment at the case with which she can bend Narraboth to her will.

As Herod, Richard Cassilly sings with admirable firmness of tone and clarity of diction, but he cannot bide an impression of underlying sanity and strength of purpose, despite his deliberate eccentricity of behaviour. Robin Leggate's lyrically sung and emotionally involved Narraboth sets the performance off to a gripping start, while Josephine Veasey repeats her powerful and malignant study of Herodias. The ensembles of Soldiers, Jews and Nazarenes are particularly excellent for Mr Mehta and the Moreau-inspired set is subtly temperature of the final scene and effectively lit by William Bundy.

ICA

The Warp by B. A. YOUNG

The Warp is a series of plays by Neil Oram, a poet, painter and philosopher. Mr. Oram has long been deterred from writing plays by the problem of structure. When he met Ken Campbell, it was naturally made clear to him that structure was unimportant, compared with content, and the ten plays of The Warp which deal with the rise and fall of the hippie culture were written together at breakneck speed.

will be given each afternoon, and rehearsals of the evening's performances will be open to the public during the day. It is a typical Ken Campbell enterprise, in fact.

circus ring in which the audience is allowed to stand or sit, if they can find seats. The mood is characteristic of Ken Campbell; apparently earnest matter is treated with a subliminal suggestion that it is not always as wise as it appears, though no one ever says so. Overly comic scenes, on the other hand, are played intensely seriously. It must be said that there is some evidence of the shortage of rehearsal time; yet the players of small parts (there is a cast of 20) turn out some worthwhile performances. My favourite was Jim Broadbent, who plays the archangel with the wide arm-wavings of a popular scientist on the television.

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Thursday January 4 1979

Dollar tests on the way

THE PATTERN of dollar trading since the holiday break has one clear message: wait and see. The general upsurge over U.S. policies first depressed the dollar, yesterday it rallied quite sharply, on forecasts of further increases in interest rates, and experience of firm support by the Federal Reserve in the markets. This is clearly an uneasy balance. A currency which requires the protection of ever higher interest rates and of central bank intervention is still fundamentally a weak one. If and when confidence has been restored, the flow of private capital will reverse, and interest rates will tend downwards.

Budget message

Such confidence can only be created by further firm action by the Administration, and the essential test of its resolve will be the Budget message submitted to Congress after its assembly on January 15. Fortunately there are some grounds to hope that this message will, like the British measures of December, 1976, be dramatic enough to convince a real change of policy. This is not simply because the Administration has started to talk of a sharply reduced borrowing requirement—such plans are always partly at the mercy of Congress. It is much more because President Carter and his advisers are responding to a radical change in the mood of the U.S. voters. The California and more important, the success of broadly conservative candidates of both parties in the mid-term elections, suggest that serious stabilisation measures would command popular support.

A convincing Budget message will not by itself cure all the ills of the dollar. The following days and weeks will show how far Congress itself is responding to the new popular mood. Meanwhile the Federal Reserve must maintain the pressure on credit and interest rates which has helped at least to stabilise the dollar, despite the rather unhelpful public comments of the Fed Chairman, and the Secretary of the Treasury, Mr.

Michael Blumenthal, who have tried to portray the dollar problem as purely speculative, and play down the importance of credit measures.

While the rise in interest rates which has actually been imposed has helped to stabilise the currency markets, and may well produce some help to the balance of settlements through the leads and lags, it has not so far depressed the U.S. demand for credit, and this again has aroused scepticism in the markets. It is argued that only a recession will show that policies are adequate.

This is partly a mistaken scepticism, for two reasons. First, official action cannot produce instant results in a highly liquid market; there is now some sign of the delayed response in the real economy. First of all in the growing liquidity problems of the savings and loan institutions which finance construction. High rates will check demand, even in an economy where inflationary expectations are resigned to high rates for some time yet.

Money supply

More important, though, is the fact that much of the dollar problem is financial rather than real. When effective credit and need not be to halt the growth of the U.S. economy or even of the domestic money supply, though both should be slowed. U.S. activity is likely to be sustained by export demand and such special factors as the strong aircraft recovery, but it should be able to attract finance from overseas. A reflow of foreign dollars will assist not only the financing of U.S. activity, but the control of the money supply in other countries.

Determined action by the Administration will, then, help stabilisation all over the world. It cannot be a painless process; the checking of excessive credit growth always leads to some disruption. But so far as the problem is financial, the pains may also be largely financial—the problems which are already emerging in the Eurodollar and U.S. domestic markets as a result of sloppy lending in the past.

Dr. Bakhtiar needs time

THE APPOINTMENT of Dr. Shapour Bakhtiar as the next Iranian Prime Minister and his somewhat equivocal claim that the Shah is committed to taking a holiday about may help to break the political log jam of the past three months. The demands of the opposition have to some extent been met. But there must be grave doubts about the chances of Dr. Bakhtiar's government defusing the crisis.

As so often in the past year the concessions by the Shah may have come too late.

The confusion which has surrounded the formation of the new administration and the contradictory reports on whether or not the Shah intends to abdicate at least a "temporary holiday" is symptomatic of the disintegration of government authority within Iran. It is probably an error to see the government as pursuing long-term policies in order to stabilise the situation. On the contrary, the events of the past four months give the impression of a regime reacting to the rapidly mounting crisis by a series of short-term expedients.

Hence its violent swings between conciliation and repression and the failure of both.

Last opportunity

Can Dr. Bakhtiar do any better than the three Iranian prime ministers who served last year? He will get the support of those who see his appointment as a last opportunity for a compromise to be worked out between the Shah and his supporters and the opposition. The departure of the Shah, even if it is described as a purely temporary vocation, could be a concrete gain which will convince the more moderate opposition leaders that Dr. Bakhtiar can introduce radical changes in government policy. The authority of previous governments has been eroded by the general conviction that ultimate authority was still wielded from the throne.

It could be argued that the new Government will get support from the "middle ground" of Iranian politics. But does this middle ground still exist?

The opposition National Front, from which Dr. Bakhtiar has now been expelled, was moribund between the early 1950s and the eruption of the present crisis. Its leaders are mostly old and their personal authority limited.

They have persisted in their demands for an end to the monarchy and for control of the army, police and secret police. With Ayatollah Khomeini refusing to make any concessions to the Shah the National Front leaders have been compelled, whatever their personal inclinations, to remain intransigent. And it is clear that it is the religious opposition alone which can claim to exercise country-wide influence. In so far as anybody has organised the strikes and demonstrations it is the Ayatollahs and Mullas.

Potential exile

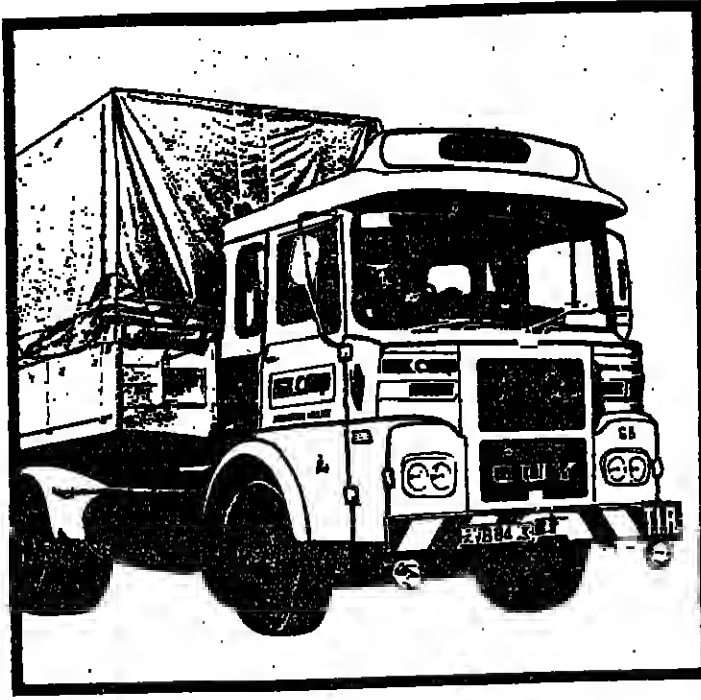
Among the Shah's followers there is equal confusion. The highly personal nature of his rule over the past 20 years has ensured that there is no authoritative figure in the army, other than himself, who can guarantee military support for Dr. Bakhtiar. If the new cabinet contains too many senior generals it will be all the more unacceptable to the rest of the opposition.

So far the Government has proved that it can cling onto power whatever the opposition does. The army has generally remained loyal to the Shah. But the opposition has also proved that it can bring the economy to a complete halt and paralyse government authority at almost every level. In a single year it has reduced the Shah from absolute monarch to potential exile. Such success hardly puts those opposed to the crown in a mood to compromise.

If Dr. Bakhtiar is to get anywhere he must be in a position to show that he exercises real authority. The persistent confusion over the temporary departure of the Shah has only served to damage his already slender chances of success. Above all a new Prime Minister needs time to produce concrete reforms. In conditions of mounting chaos it remains to be seen if he will get it.

THE EFFECTS OF A LORRY DRIVERS' STRIKE

A serious threat to much of British industry



THE ROLES OF ROAD AND RAIL

percentage of freight tonnage per km, 1976

Industry	Road	Rail
Food, drink and tobacco	97.6	2.4
Building materials, timber and aggregates	87.2	12.8
Coal and coke	23.0	77.0
Petroleum products	41.2	26.6
	(pipeline—32.1)	
Chemicals, fertilisers	86.2	13.8
Iron and steel	65.8	34.2
All other industries	90.6	9.4

Source: Transport Statistics, 1966-76, Department of Transport.



LIKE the bad weather, industry has had fair warning that it might have to contend with a strike in the vital road haulage industry. But, unlike coping with snow and ice, there is relatively little that industry can do to counter disruption of the transport of raw materials and finished goods by road.

Early indications are that the strike is involving the picketing of some ports, depots and even factories. If this degree of disruption persists, then it could have even more serious repercussions on industry than had been feared. Without an immediate alternative means of transport to hand, there is little that industry can do to adapt to the present situation.

The degree of dependence of industry on road transport varies from almost total—for food and drink—to less than a quarter for coal and coke. These two extremes broadly demonstrate the one enduring feature of transportation. This is that the smaller the product, the more likely it is to travel by road, while the bulkier products are more likely to be transported by rail.

The most recent provisional estimates of the breakdown between road and rail transport show that road is responsible for 80.5 per cent of goods carried—a proportion that has increased in spite of attempts by British Rail to make its freight services both more attractive and more competitive.

The current industrial action by some drivers working for member companies of the Road Haulage Association will hit some industries more directly than others, although if the action is prolonged it will affect almost every industry in due course.

Drivers working for companies which operate their own lorry fleets—usually termed "own-account carriers"—are not affected by the dispute. Nor are those employed by the National Freight Corporation, which on a very rough estimate accounts for between 4 and 5 per cent of all freight carried by road.

The section of road transport which is subject to the present action is the carrying goods for third parties, usually known as "professional" or "public haulage" carriers. According to figures quoted in the recent Price Commission report on the road haulage industry, they account for 63 per cent of total goods moved by road.

In view of the fact that a large number of lorries bear the name of the company whose goods they are carrying, this may seem a surprisingly high figure. In fact, such vehicles are often on contract hire to particular companies, but are owned and operated by professional carriers.

Member companies of the Road Haulage Association are particularly strong in certain areas of transport. These include the movement of bulk liquids, car transportation, express carriers moving goods for mail order companies, special

heavy haulage operations for the movement of one-off items, and international services. Widespread support of the strike would therefore have an immediate effect on industries dependent on these services.

In addition, RHA members are heavily involved in the movement of certain bulk food items, such as milk and flour, as well as livestock for the domestic market. They also operate refrigerated meat carriers, and carry live animals for export to the Continent.

In the movement of bulk industrial materials, they carry gravel, sand and quarrying materials, with many drivers on contract to particular companies in these industries. They are also strong in carrying industrial waste which, in view of the tighter demands on companies conforming to anti-pollution measures, could very soon cause problems to industry.

Complicating the picture is the fact that road transport tends not to be a one-journey operation. This means that even those industries which move a lot of their goods by rail for most of the journey between factory and distribution centre, for example, may well depend on a road haulier to complete the last bit of the journey.

This fact alone means that the substitution of rail for road transport is not feasible in the majority of cases. British Rail

claims to handle at least half of long distance bulk freight carrying, with products like oil, coal, steel, cement, aggregates, limestone and chemical products high on the list. But these products are moved between private sidings and it is obviously not possible to provide these overnight.

An added complication for British Rail which could arise from the strike is the fact that its Freightliner container-carrying service sometimes uses professional carriers for the collection and delivery of containers. On the basis of the attitude shown by rail unions in the past towards fellow workers on strike, it is highly unlikely that there would be any attempt to get this job done from other sources in British Rail.

The ability of industry to cope with possible large-scale disruption to its transportation will be determined to some extent by its stocks position. Most companies probably hold between one and two weeks of essential supplies of raw materials. After that period, shortages would begin to be apparent, and stocks of finished goods would start to pile up.

Scotland suffered a three-week strike of lorry drivers in October, 1974 which seriously disrupted industry. The dispute was more widespread than the current one, involving some NFC drivers as well, and co-

incided with strikes in some other Scottish industries. Scotland is also particularly dependent on road transport because of few rail connections apart from main line operations. This means that Scotland will also be hard hit if the present strike gets a grip. At the time of the last strike, it was calculated that more than 30,000 workers would have had to have been laid off at the end of the week in which it was finally settled.

Until the state of the present dispute becomes clearer, companies are not thinking far ahead as the effect on production and possible lay-offs. But some indication about the likely effects of prolonged and widespread action by the lorry drivers can be gauged from the dependence of particular industries and services on road transport.

FOOD DISTRIBUTION is probably the most vulnerable of all to a disruptive dispute because fresh foods have a limited life-span. Most of the major supermarket chains operate their own fleets of lorries for transport from central depots, to avoid too many deliveries a day at their High Street stores. The problem, however, is if supplies to the central depots are reduced.

There are several specialist companies responsible for retail distribution. One of the largest,

SPD, is a subsidiary of Unilever and is concerned with distributing Birds Eye, Van den Berghs, Batchelors, and other Unilever products around the country. Tate and Lyle's TLT company is concerned with sugar distribution.

But these large companies are only responsible for a small part of the food industry's distribution. The bulk is still in the hands of the local haulier, and small regional groups.

Most trade sources were unable to predict the exact effects on stores mainly because it is unclear which private hauliers are involved in the dispute. But supermarkets and manufacturers have warned shoppers against panic buying on the ground that existing packaged grocery stocks would last for several days.

Chemicals: The majority of companies either use a mixture of professional carriers and their own fleets, or depend entirely on contracting professional carriers. There is a high degree of interchange between plants of intermediate chemicals for further processing, and much of this transport is by road. The advantages of flexibility offered by road transport mean that companies have tended to minimise stocks—a factor which will work against them in the current situation.

There are several specialist companies responsible for retail distribution. One of the largest,

material run short, companies might close plants for annual maintenance.

Coal: Most coal is transported by rail from the pits to depots, or direct to industry. That part which is taken by bulk tipper lorries could be affected by the strike, but stocks of coal held by distributors are sufficient to meet householders' needs for some time.

Electricity: Virtually all coal and oil for delivery to power stations is brought either by rail or sea.

Steel: Most raw materials are brought by rail to the major steelworks. Much of the delivery of finished products is also by rail, but there is some movement by road of semi-finished products to other plants for finishing. Where delivery of the final product to the customer is by road, this is often at the preference of the customer. It is likely that rail could be substituted, although the final stage of distribution may well have to be by road. Much of the steel held by stockholders, however, is transported by road, often for delivery to customer industries requiring relatively small amounts of steel.

Motor industry: Delivery of cars could be badly affected by the dispute because car transporter drivers are involved. The transport of parts between plants of the same company is often done by rail. For example, Ford has its own rail link between Dagenham and Halewood, and Chrysler between Coventry and Linwood. Delivery of components to the car plants, however, is mostly by road.

Petroleum products: The major companies run their own fleets of vehicles. But distribution of central heating oil to factories, offices and homes is often carried out by professional haulage operators who are under contract to the distributors.

Construction: The transport of materials for the industry by road is divided between companies' own fleets and professional haulage operators. Building sites which are close to main depots are less likely to be affected than those in more inaccessible areas. Special equipment for use on sites is taken by road, and delays in delivery could hold up work.

The branisation of the road haulage industry is such that there is a high degree of inter-linkage between companies operating their own fleets of lorries and those professional hauliers which are working under contract. In addition, own-account fleets will sometimes subcontract to the professional hauliers when their own capacity is not sufficient.

For these reasons—and the very important consideration that the whole chain of manufacture is dependent on the delivery of components—the effects of a strike involving only a section of the road haulage industry could have more serious effects than immediately appear.

MEN AND MATTERS

Imps—and others—out of puff

The last words that Imperial Tobacco and its rivals will want to hear on a \$50m disaster were uttered yesterday. On the opening page of a survey of the British tobacco industry in 1978, stockbrokers Sheppard and Chase declare tobacco substitutes to have been "an almost total failure."

Smoking out the hard facts behind that verdict, I learn that cigarettes containing substitutes are now down to barely 0.2 per cent of total sales in this country. Nine months ago it was 0.6 per cent—and even that was a far cry from the 3 per cent which would have been seen as a moderately successful market penetration.

Of the 12 brands put on sale, eight are still on sale, but several of those only nominally. Most of the smokers who are not right back on the natural weed are puffing two brands containing Cyrel, a substitute made by Celanese; these are Rothman's "Peer Special" and Gallaher's "Silk Cut."

Synthetic tobacco is also running out of puff in Germany. Sales are tiny there, although in the one other European country where Cyrel was launched, there is just a hint of hope in the ashes. That is Switzerland. As a British tobacco executive said ponderously to me: "The Swiss are perceived to be a little more conscious of health."

Fake fancier

One man who has made a tidy profit from early retirement is property dealer Ken Talbot, who moved to Bina nine years ago, and made friends with the late, legendary art forger Elmir de Houry. Now back in harness in London, Talbot has taken the unusual step of selling off through a small ad of his own if you supplied legs—is

Impressionist paintings. Among them are works in the style of Toulouse Lautrec, Modigliani, Monet and Pissarro.

"You can't insure them, they want burglar alarms and big premiums," says Talbot. "I sold some at Christmas—before it got too much publicity. Why, I asked myself, was this a problem? Look," he said, "they're all signed 'Modigliani', 'Monet'... They're a big status symbol—most people wouldn't know a Picasso from a har of soap. And what they do with them after they leave me is up to them, know what I mean?"

Talbot does not, however, feel entirely at ease in the world of fakery. Admitting that he knows nothing about art either, he is holding on to a painting bought "through" de Houry which was assured is a real van Meegeren. "People say it looks like a van Meegeren," he says uneasily.

Destiny deflected

The abandonment of the Queen's projected trip to Iran means that all those who would have gone along can now stop studying the most lavish book ever published in adulation of a dynasty. "Iran, Elements of Destiny" has a foreword by the Shah, in which he begins by declaring his country to be in "the process of a fundamental transformation."

Forty thousand sumptuous and heavily subsidised copies were printed by Balding and Mansell, the Wisbech-based subsidiary of Benmore; the colour work recently won a prize in the trade.

Most have been given away, but Collins, the London publishers, took 2,000 for sale (at £25 a time) and are still sitting on 800. Far more awkwardly placed are German and French publishers, still at work on translating the highly poetic text.



Canadian photographer Roloff Beny, I contacted his assistant, American archaeologist Mitchell Crites, in Rome. He said bravely that the book had now become "a memorial—a remarkable statement of what Iran was like until a few months ago."

Generating heat

Despite the cold, busloads of tourists were arriving at Buckingham Palace yesterday, to photograph one another and watch the guards at their rituals. An Italian from Pisa asked me the way to the Aldwych, and said he was looking to see "No Sex Please, We're British." He explained: "It's the only way to keep warm."

Walking goldmine

While human life is still not rated very highly in certain parts of the world, some upward adjustment of the valuation is suggested by a New York consulting firm. "The old cliché about the 93 cent human body is just so much hogwash,"

according to Adam Starchild, president of the Minerva Consulting Group.

Following a Christmas session with his pocket calculator, Starchild says that transforming the necessary chemicals into cells, and constructing even a semblance of a body, "would drain the treasures of the world." The materials alone, including hormones, RNA, DNA, and other biochemicals are, according to chemical company catalogues, worth about \$6m. It makes Nature seem very good value.

Dope in smoke

You would need to be a statistical addict to wade through all the figures for drug hauls in 1978 produced yesterday by Her Majesty's Customs and Excise. In the pushers' terms, the "street value" was £22.2m. What happens to all that heroin, LSD, cocaine, cannabis and the like?

"We incinerate it" said a spokesman. "There are Queen's warehouses, you see, with facilities." I asked where these warehouses might be. "That," he replied "is our best kept secret."

Doctor at sea

Friends in France tell me that British Rail's cross-Channel ferries—hopelessly delayed by the weather—have at least some loyal customers. It seems that, to get round the often impassable coast of northern France, some French commuters have been mingling with the Marks and Spencer's bound Calais housewives on the boat to Dover, then boarding another ferry back to Boulogne, 25 miles along the coast.

Among those taking the sea-route was a doctor, who made the circuitous trip in four hours. One can only hope the journey was for pleasure rather than to see a patient.



Fortunately his spirit lives on.

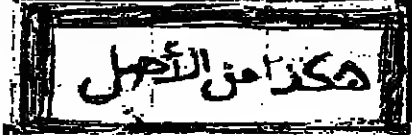
Only James Buchanan, regarded by many as the father of Scotch Whisky, could have composed a blend of fine whiskies so smooth and satisfying as to win the century-long devotion of his entire house.

The Buchanan Blend is now being introduced to the public in the belief that discerning whisky drinkers everywhere will appreciate its rounded excellence.

You may have to look for it, because supplies may be limited at first, but you'll find it well worth the trouble.

The Buchanan Blend

THE SCOTCH OF A LIFETIME



UK COMPANY NEWS

NEW LIFE BUSINESS

Strong pension growth at SWF

A RECORD year for new life business in 1978 is reported by Scottish Widows Fund and Life Assurance Society. New annual premiums for assurances and annuities, including group permanent health and pension schemes written on the main fund, rose by 33 per cent to £28.5m from £21.7m.

The company, in common with most other leading pension companies, experienced strong growth in group pensions business following the introduction of the new State pension scheme. New annual premiums for group pensions were up 50 per cent from £9.6m to £14.5m.

The active house purchase market last year also resulted in buoyant sales of low cost endowment assurances. Sales of the new unit linked Sw Plan 10 Plan 10 were good.

The pensions management subsidiary, Bensons Management (SWF), which provides investment management services to pension schemes through a unitised managed fund, showed even stronger growth with the introduction of the new state pension scheme. New annual premiums tripled to £12.3m from £3.8m, while new single premiums were up 100 per cent higher at £2.1m against £2.1m.

Not only did a number of existing clients switch their funds

from insured to managed, but the fund had a larger number of new clients using its services and certain existing clients increased the proportion of funds invested in the subsidiary.

New single premiums on ordinary life and pension business remained static at £7.5m as did total subscriptions to the Society's exempt unit trust amounting to £8.9m. New sums assured jumped by 29 per cent from £58.1m to £75.0m and new annuities were 65 per cent higher at £2.05m per annum against £1.24m.

New annual premium growth of 33 per cent last year is reported by Royal Insurance, amounting to £23m compared with £17.1m in the previous year. The company, a leader in the mortgage repayment market, recorded a 33 per cent rise in its sales of low cost repayment contracts.

A substantial increase in sales of pension and retirement plans for directors, key employees and the self-employed were other main features in the growth pattern, while group pensions business following the new State pension scheme start last April showed a significant increase. New annual premiums on group pensions business were up 60 per cent higher at £7.5m compared with £4.6m.

Pearl writes £603m

The Pearl Assurance Company last year saw a 41 per cent growth in new annual premiums for life assurance contracts and annuities. These amounted to £31m in the combined ordinary and industrial branches compared with £21.9m in 1977. Single premium and annuity considerations nearly doubled to £12.2m against £6.4m. These premiums provided for total sums assured of £603m against £333m and annuities per annum of £40.1m compared with £13.8m.

Business in the ordinary branch was especially buoyant with new annual premiums 54 per cent higher at £14.2m (£9.2m) growth in this branch came from two particular sectors: new annual premiums on self-employed pension contracts jumped to nearly £5m last year (nearly £1.9m in 1977), following the tv campaign advertising these contracts.

The other sector showing outstanding success was the linked life subsidiary Pearl Assurance (Unit Funds). This company early last year substantially expanded its field staff employing trained personnel in this particular branch of life assurance. As a result, new annual premiums jumped from £25.5m to £1.3m and single

premiums to £5.3m against £1.2m. Slightly more than half the investment was in the managed fund with most of the remainder being in the property fund.

In the industrial branch, new annual premiums were 33 per cent higher at £16.8m against £12.7m. But the figures for 1977 were very much affected by an industrial dispute involving the agency staff.

The Co-operative Insurance Society reports a 23 per cent increase in new annual premium income last year from the life department (combined ordinary and industrial branches) amounting to £28m against £22.5m in 1977. New sums assured were 121 per cent higher at £314m against £142m.

Buoyant new business in both the ordinary and industrial branches for 1978 is reported by the Refuge Assurance Company. In the industrial branch new annual premiums were 115 per cent higher at £7.7m compared with £3.6m, with new sums assured amounting to £113m against £101m.

In the ordinary branch, new annual premiums rose by 23 per cent from £2.49m to £3.06m but also premiums declined to £580,000 against £820,000. New sums assured were £92m against £74m and new annuities totalled £940,000 compared with £566,000.

Bonus declarations

Record rates of reversionary bonus for the two years ending December 31 1978, have been declared by Yorkshire-Generale Life Assurance Company, the life company in the General Accident group. On its current series of life and endowment contracts the rate is lifted to 55 per cent on £1,000 sums assured (the basic death cover) from the previous rate of 52 per cent.

On progressive personal pension policies and single premium deferred annuity pension schemes the new rate is 68 per cent of basic annuity and attaching bonuses compared with 50 per cent. On "1970 code" annuity premium schemes the new rate is 55 per cent compound against 50.

However, the company is not changing its rates of terminal bonus paid on death or maturity claims or when an annuity contract vests. On life policies, other than "1970 code" assurances, the rate remains at 55 per cent of sum assured and attaching bonuses for each year in force as a with-profits policy, less three years up to a maximum of 30

years. On pension policies, the rate is 30 per cent of all declared and interim bonuses attaching to the basic benefit.

Interim reversionary bonuses will, for the time being, continue at the same rate as the new declared rates.

Record levels of reversionary bonus have also been declared by the Medical Sickness Annuity and Life Assurance Society for 1978. On life contracts the new rate is lifted to 43.30 per cent of the sum assured and existing bonuses £4.15 per cent. However the terminal bonus rate is maintained at 25 per cent of all existing bonuses.

On personal pension policies, the rates have been increased as follows: 1st where a pension is not yet payable then an addition of 53 per cent to the total pension plus bonuses previously allocated and (2) where the pension will commence during 1979 a vesting bonus of 47 per cent of pension plus bonuses is paid.

The rates of bonus on sickness and accident policies have been maintained at the current record level.

Rank's refunds £29m Canadian borrowings

Bank City Wall Canada, the Rank's Organisation's Canadian property arm, is to refund £29m (£29.3m) of its local bank borrowings by the issue of Variable Rate Redeemable Preferred Shares.

Rank is now seeking Exchange Control consent for the issue, which will be subscribed by an unnamed Canadian chartered bank. Further details of the issue and its effects upon the gearing and interest costs of the Canadian subsidiary await publication of the group's 1978 results, which are due to be released before the end of the month.

Debt restructuring through the issue of Variable Rate Redeemable Preferred Shares will enable Bank City Wall to take advantage of accumulated tax losses. The subsidiary, which holds a £70m to £80m portfolio of commercial property in Canada, will pay the borrowing bank interest at a rate linked to Canadian rates plus a small margin, but net of tax.

The interim results announced in December showed that trading and profits improved by 11.5 per cent and 6.8 per cent respectively and Mr Meyer then said: "This steady upward trend is continuing despite higher interest rates."

MLM PROGRESS

Mr John M. Meyer, chairman of Montague L. Meyer, told employees that he expects the results for the current year ending March 1979 to be considerably better.

BIDS AND DEALS

BSG expands commercial aviation activities

BSG International is expanding its interests in the commercial aviation market through the purchase of a subsidiary of Herman Smith, the engineering group.

BSG is buying Herman Smith's special products subsidiary for £450,000. The subsidiary manufactures inserts for aircraft fuselages such as ovens, water heaters and boilers, coffee makers, meal storage containers, and trolleys.

In its last financial year, ended June 30 1978, the special products subsidiary turned in pre-tax profits of £31,290. Net assets stood at £433,096.

In its last financial year BSG's aviation packaging interests achieved pre-tax profits of about £10,000.

BSG also announced that one of its directors, Mr G. King, had resigned from the Board.

Monsanto will continue to operate its polystyrene plants at Newport, South Wales, but on behalf of BP.

Imperial Chemical Industries has signed a licence agreement with Du Pont covering the U.S. company's patents and patent applications for plastics bottles for carbonated drinks.

The licence is for bottles manufactured from biaxially oriented polyethylene terephthalate (PET). It grants ICI rights to license its PET customers to manufacture and sell the bottles. The royalty rate is 2 per cent based on the price of PET resin.

director of a subsidiary, with his family trust, sold 68,516 shares.

SABAH DENIES LAND DEAL REPORT

Sabah Timber has denied a newspaper report that it is negotiating for a concession for 36,000 acres of agricultural land in Sabah. The report intimated that such a concession might be relevant to the offer by Harrison and Crossfield for the outstanding minority of Sabah Timber.

Mr J. McLeod, chairman of Sabah Timber, acknowledged that the Harrison and Crossfield group as a whole had discussed the possible development of this land. But the Sabah Foundation, which controls the land, had not been in touch with the group about the matter for over a year. The subject was dormant if not actually dead.

Mr McLeod said Sabah Timber would probably not have had an equity stake in the project, he said. The leading companies in development of the land would have been other subsidiaries of Harrison and Crossfield. Sabah Timber would have only helped with the logistics.

KEAN AND SCOTT SHARE DEAL

THE CHAIRMAN of Kean and Scott and certain business associates have sold 214,782 shares in the furniture retailing and manufacturing company for not much more than a third of the current market price.

They have sold the shares at 10p each to Mr. Mostyn Levin to ensure that he obtains effective control.

Kean and Scott's chairman, Mr. Stanley Willson had concluded that the company's future would be enhanced with Mr. Levin as controlling shareholder.

Mr. Levin has built up a household textile business and intends to develop the retailing side of Kean and Scott by adding household textiles to the range of goods sold.

Under the Take-over Code Mr. Levin has to bid for the rest of Kean and Scott at 10p per share. Shareholders are advised by their board to take no action on this offer for the present. The board draws shareholders' attention to the much higher price of the shares in the market.

The 214,782 shares Mr. Levin has bought represent about 51.14 per cent of the ordinary capital but only 42.96 per cent of the voting rights. Arrears of dividends on the preference shares mean that these have full voting rights.

The chairman and family trusts provided 80,916 of the shares. No other director of the main board participated in the sale but Mr. A. A. P. Southal,

NEWMAN-TONKS

Newman-Tonks will pay a maximum of £2m for the acquisition of Rothley Brass. The purchase was first announced on December 15.

Rothley Brass, based in Wolverhampton, supplies decorative brass hardware in the retail trade. It made pre-tax profits of £302,000 in 1977 and is estimated to have made at least £478,000 in 1978. Its net tangible assets are about £900,000.

The price will be four times Rothley Brass' 1978 pre-tax profits up to a maximum of £2m. Of this, £1m has already been paid through the issue of 1,500,000 shares of Newman-Tonks. Arrangements have been made to place these shares with institutions. The balance is payable in cash on June 28 or seven days after the issue of the 1978 accounts, whichever is the later.

Trading for the current year is satisfactory, according to the chairman, Mr. M. L. B. Wright. The Board intends to recommend dividends totalling 4.45855 for the current financial year, an increase of 10 per cent,

BP CHEMICALS

By Kevin Done

BP CHEMICALS has completed negotiations for the purchase of Monsanto's polystyrene business, in the EEC at a cost of about £50m.

The agreement brings to an end nearly nine months of negotiations between the two companies and follows closely on the completion of another major chemicals deal between BP and Union Carbide.

BP has been anxious to diversify its chemical operations in Europe. It has suffered badly during the past 15 months of depressed trading in the chemicals industry, because of its heavy concentration in base petrochemicals.

Both the Union Carbide and the Monsanto deals will give BP Chemicals assured access to a large captive market for its basic products and also access to some specialist plastics technology.

BP Chemicals has also bought out Monsanto's one-third stake in Forth Chemicals, which operates a styrene monomer plant at Grangemouth, Scotland. Styrene monomer is used in the manufacture of polystyrene, a bulk plastic. BP already holds a two-thirds interest in Forth Chemicals.

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Camford 39% up at £2.25m

PRE-TAX profits of Camford Engineering jumped by nearly 39 per cent from £1,92m to £2,65m in the year to September 30, 1978. Its turnover ahead £4.18m to £29.26m.

The profit was struck after associate losses of £2,000, compared with £100,000 the year before.

After tax of £263,000 (£268,000) and an extraordinary credit of £33,000 (£79,000 debit) attributable profit comes out well ahead at £2,020m, against £1,277m.

The final dividend of 2.51p net per 10p share makes a total of 3.99p (13.47p). There is an additional 0.03p for 1977. Stated earnings per share are lifted

from 9.61p to 12.07p.

The directors say no charge has been made for tax amounting to £1.33m on the profits for the year deferred by stock appreciation relief and accelerated capital allowances. They do not anticipate this will become payable in the foreseeable future.

Tax charge includes ACT of £415,000 (£241,000) written-off, including £105,000 previously set against Corporation Tax liabilities of £151,000, now eliminated by allowances arising in the year.

but within these there is a very wide customer and product base. Margins have increased by more than a point to 27.7 per cent, partly thanks to lower start up costs. The trading improvement, however, has been felt all round while the associate exhaust system venture should soon reach full production and break into profit. There are a few worries in the current year with the Ford strike and a more difficult market for trucks where, Camford is quite heavily exposed. Further penetration, however, is planned. In the European and U.S. markets and while horrowings are up on the last balance sheet's £4.3m, against shareholder funds of £10.5m, most of the heavy capital spending is now complete and gearing should not be a problem. At 67p the shares are on a p/e of 5.3 (against 5.5 for the motors and distributors index) and yield an above average 9.2 per cent.

Good second half boosts Thos. Ward to £11.8m

SECOND-HALF profit of 7.15m against £4.3m lifted taxable profits of Thos. Ward to a record £11.8m for the year to September 30, 1978, compared with a previous 7.61m, a rise of 55.5 per cent. Turnover was up from £242.7m to £282.3m.

At halfway the directors reported profits of £4.69m (£3.25m) and said they expected second-half figures to exceed those of the first. They now state they are aiming for a higher net profit in the current year, subject to unforeseen circumstances.

Basic earnings per 25p share rose from 4.19p (16.7p) and 0.8p (3.8p) fully diluted and, with Treasury approval, the dividend is stepped up to 4.735p (4.0875p) with a net final payment of 3.0855p.

Company	Current payment	Date of payment	Corr. of sp. div.	Total for year	Total last year
Camford	2.51	Feb. 28	0.99	3.50	3.57
City of Lon. Byr. 2nd Int.	0.99	Feb. 28	0.6	2.6	2.6
Technology Inv. Tst. Int.	1.22	Feb. 2	—	2.87	4.74
T. W. Ward	3.09	—	—	—	3.19
Wilson Walton	Nil	—	—	—	—

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ For the first time.
§ Plus additional 0.03p.

and a further improvement in cement deliveries.

Losses in the engineering division were eliminated and there was a strong demand for new vehicles.

Interest costs were reduced by lower rates and cash generation.

See Lex

Sales rise for Matt. Brown

MODEST sales gains in the first two months of the current year are reported by Mr. C. J. Alnough, chairman of Matthew Brown and Co., brewers. He adds that the inevitable rises in costs since the company's most recent price increase last February are being the next one ever closer.

With a healthy cash position

and vigorous cash flow, the group expects no problems in financing improvements. The company's intentions of continuing to increase its share of the trade make further significant improvements in the brewery necessary.

The active house purchase market last year also resulted in buoyant sales of low cost endowment assurances. Sales of the new unit linked Sw Plan 10 Plan 10 were good.

The pensions management subsidiary, Bensons Management (SWF), which provides investment management services to pension schemes through a unitised managed fund, showed even stronger growth with the introduction of the new state pension scheme. New annual premiums tripled to £12.3m from £3.8m, while new single premiums were up 100 per cent higher at £2.1m against £2.1m.

Not only did a number of existing clients switch their funds

It is anticipated that £5m will be spent over the next four years on adding to and replacing old fermenting and storage vessels, restling and refurbishing the racking plant, and probably the wine and spirits departments. New facilities for the loading and unloading of draught beer casks and canisters are expected to be established.

A substantial investment has just been started to expand the company's successful Trafalgar complex between Preston and Blackburn. Although this extension will not be ready in this financial year, the chairman says other smaller projects will be increasing the contributions from the Wilkinson (Balfington) subsidiary.

Wilson Walton down £0.24m midway and misses interim

WITH TAXABLE profits more than halved from £47,000 to £21,000 for the first half of 1978, turnover of £7.53m against £7.35m, Wilson Walton Engineering, fabricator of marine, offshore and industrial structures, is not paying an interim dividend, compared with 1p net last time.

Half-yearly earnings were down from 4.4p to 2.1p per 10p share—for 1977, payments totalled 3.185p from 5.4p earnings.

Although the company has been extremely active in offshore work-up and maintenance work during the period, profits were hit by the depressed state of fabrication activity in the yard, due to a lack of major contracts.

This level will be maintained to the year-end, but the directors feel the industry is set for a higher level of activity in 1979 and the company is well placed to benefit.

When reporting on record £88,000 pre-tax profits for 1977, the directors said the figure took account of the then present status of negotiations on two major

contracts, whose total value was estimated at £10.5m, of which £3.5m had already been settled.

They now state that further sums of money have been received on account but there are still outstanding matters to be finalised.

At this stage, they say it is evident that discontinuing of the company's considered final position on these contracts will take place, due to a need to conclude these matters as a result of pressures on cash flow.

An adjusting item to reflect the final discounted position will therefore be made in the current year's accounts.

Net profits for the six months were lower at £105,000 against £219,000 after tax of £114,000 (£238,000). Last year's interim assured £52,000.

See Lex

Profits jump 91% at Radio City

Pre-tax and pre-secondary rental profits of Radio City, the Liverpool-based Independent Local Radio Station, increased by 91 per cent to £403,500 in the year ended September 30, 1978.

The annual report shows that, in the year, revenue increased by 31 per cent from £1.24m to £1.63m and expenditure increased by 19 per cent from £1.05m to £1.23m. For the first time, the company became liable to secondary rental (£188,400), levied by the IBA, and Corporation Tax (£26,300), leaving a net profit of £242,100.

HUME SHARE CONVERSION

HUME HOLDINGS announce that holders of 307,497 "B" shares of 25p each have

Bass Charrington LIMITED

Statement by the Chairman

Sales for the year were seriously affected by three major unofficial stoppages in the early part of the financial year and by the below average summer weather.

Consequently the earnings from trading operations were less than originally planned; however, the surplus on sales of property and investments was significantly more than last year, which helped to produce a satisfactory out-turn for the year.

I thank all our tenants and the managers of our pubs for their tolerance in what I hope will prove to have been a wholly exceptional period of interruption of supplies.

I am gravely concerned over the increasing acts of violence committed in pubs and I take this opportunity of expressing our admiration for the courage shown by licensees, their wives and members of their staff in such circumstances. We shall continue to support efforts to combat this menace.

I thank our management, staff and all our employees for their continued efforts over the past year in the service of the Company. We have established a closer relationship throughout the Group by better communication, consultation and involvement at the place of work. There is now, I believe, a widespread understanding of the damage done to our trade by failure to meet orders. Encouraging progress has been made as a result of the introduction of schemes for rewarding observance of procedure and other increases in productivity. There have been very few unofficial stoppages since

these agreements were entered into. We shall examine how we can further improve working conditions and continue to reward increased productivity.

We have maintained our policy of investing our cash flow in the extension of brewing capacity, improving our licensed estate, acquiring new outlets and improving social amenities for our employees.

At the conclusion of the financial year under review, we announced certain changes in the Board structure and appointments. The main reason for these changes was to re-allocate the responsibilities of the executive directors of the main Board to obtain an even greater degree of coordination of the various operations and functions of the Group.

At the Annual General Meeting a Special Resolution will be proposed to change the name of the Company to Bass Limited. The reason for this change is to give Charrington and Company a clearly separate identity as the operating company for London and the South East. The name Bass is short and clear, is now used generally in the Press and the City and carries with it the greatest tradition in brewing.

We have made a good start to the current year. Provided we can maintain the good relationships we have established throughout the Group and thus ensure uninterrupted supplies to our customers, we should be able to make further progress this year.

Derek Palmer
14 December 1978

The Group's 1978 results in brief

	53 weeks 1978	52 weeks 1977 adjusted
Sales to customers	£1,014.4m	£904.5m
Balance on trading	£116.8m	£98.7m
Earnings		
Before taxation	£105.5m	£90.4m
For ordinary shareholders	£79.0m	£62.3m
Ordinary shareholders		
Earnings per share	28.4p	22.4p
Dividend per share	6.1p	4.84p

If you would like to receive a copy of the Bass Charrington 1978 Annual Review, and are not a shareholder, please complete this coupon and return it to:

Mr M F Ouaranta, The Company Secretary, Bass Charrington Ltd, 30 Portland Place, London W1.

Name _____

Address _____

THOS. W. WARD LIMITED

Preliminary announcement for the year ended 30th September 1978

- * Trading profit up by 28%
- * Profit before tax up by 56%
- * Basic earnings per share up from 7.3p to 11.9p
- * Dividends increased by 14.2%

	1978	1977
	£'000	£'000
Turnover	226,930	220,713
Trading profit		
Iron and steel	2,760	1,887
Construction		
(associated companies £3,177,000 1977-£3,170,000)	7,160	6,103
Engineering	1,280	572
Motor vehicle distribution	2,295	1,873
Industrial services	1,321	1,098
	14,816	11,533
Interest	2,985	3,924
Profit before taxation	11,831	7,609
Taxation	5,672	3,805
Earnings	6,159	3,804
Add extraordinary items	1,645	31
	7,804	3,835
Dividends	2,456	2,119
Profit retained	5,348	1,716
Basic earnings per share	11.9p	7.3p
Dividend per ordinary share (gross)	7.1p	6.2p

Registered Office: Thos. W. Ward Ltd, Albion Works, Savile St, Sheffield S4 7UL

NEWS ANALYSIS - NORCROS BID

Johnson-Richards reaps investment benefits

BY ANDREW TAYLOR

The bid overture for H. and R. Johnson-Richards Tiles announced yesterday by Norcross comes just seven months after Hepworth Ceramic abandoned its takeover attempt in the face of a Monopolies Commission investigation. The Johnson-Richards tile empire now controls around 60 per cent of the UK ceramic tile market, which has undergone a number of significant changes since H. and R. Johnson merged with Richards-Campbell Tiles in 1968. Ten years ago tiles were mostly white and were largely to be found in bathrooms, toilets and kitchens—today tiles come in all types of design and shades of colour while the increase in anti-slip and home improvement work has created a brand new market for tile manufacturers. The move towards decorative tiles was originally led by overseas manufacturers which have been steadily increasing their share of the UK market. As a result Johnson-Richards has had to spend heavily to maintain its dominance in the face of these new designs and products. In the five years to March 31, 1978, the group had spent £18.5m largely on improving its product range and manufacturing techniques. The fruits of this investment began to show through last year when in the 12 months to March 31 pre-tax profits rose by 45 per cent to £5.9m. The shift from basic non-decorative tiles to a much broader product range has coincided with a boom in DIY work and more recently larger-scale home improvements financed by second mortgages. This has to some degree helped Johnson-Richards over the world-wide slump in original construction work which led group profits to stagnate throughout the mid-1970s. Mr. Alec Done, chairman of Johnson-Richards, says the group's sales pattern has changed in the intervening

years with much greater emphasis now placed on the DIY and home improvement market. Last year the volume of general repair, maintenance and home improvement work is estimated to have risen by around 14 per cent while industry experts estimate that British householders spent a record £1bn on DIY products. As a result the City is expecting Johnson-Richards to show a further significant profit improvement when its interim figures—the next week—are announced. However, the group is facing increasing pressure from overseas manufacturers which, according to the group, have increased their share in the UK market from less than 10 per cent in 1974 to currently around 20 per cent. In the six months since the home improvement bid was abandoned Johnson-Richards' share of the UK market has declined by around 5 per cent. Hepworth, when it abandoned its bid, said that to delay for 12 months while the Monopolies Commission considered its investigation would only favour foreign competitors—notably in Spain and Italy. Johnson-Richards, however, says that volume sales were increasing last year after several years of stagnation despite the increased pressure from overseas. More importantly the switch to decorative tiles commanding bigger profit margins has continued to boost group earnings. One City analyst estimates that group pre-tax profits in the current year may be around £6.6m. Prospects for 1979 in the current financial uncertainty however look less exciting. Second mortgages are becoming more difficult to negotiate while DIY products may come under some pressure if the squeeze on disposable incomes is resumed. Meanwhile, Norcross still has to overcome opposition from the Johnson-Richards Board while there is still the hurdle of a possible monopolies probe to be cleared. The decision by the Department of Prices and Consumer Protection to refer the Hepworth bid for investigation was based on Johnson-Richards' dominance of the UK tile market and Hepworth's virtual monopoly of the vitrified clay pipe market. A merger according to the Department would have created a group with a strong position in supplying clay based products to the construction industry. Another factor which would have concerned a monopolies investigation would have been the common pricing practices operated—with official approval since 1964—by Johnson-Richards and other UK tile manufacturers. Norcross, however, says that Johnson-Richards would complement its existing construction and consumer product interests. These include pre-stressed concrete, air conditioning products, metal window frames, double glazing and the Hygiene range of kitchen and bedroom furniture. A key to any bid however will be the reaction of London Brick, controlling a near 10 per cent stake, and which has already indicated its wish to sell this interest, along with other family shareholders controlling between them around another 16 per cent of Johnson-Richards shares.

Bass Charrington gets off to good start

THE CURRENT year has got off to a good start, says Mr. Derek Palmer, chairman of Bass Charrington, in his annual report.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are maxima or minima, and the sub-divisions shown below are based mainly on last year's timetable.

Table with columns for company names and meeting dates. Includes: Intermine-Fodine, Hellig Brothers and ESA, Howden Group, Lintool, F. M. Tompkins, Finsley-Girlingtonham Pellet, Bond Street Fabrics, Black (Peter), Boardman (K. O.), Challenge Corporation, Cray Electronics, RFD Group, Fina, Caplan Profile, Trident Television.

managed and 351 tenanted. During the year there were 378 disposals and 36 new pubs were built or leased. Major improvements were made to 44 properties.

The new lager Hemeling Lite, which has now been launched nationally as a draught lager, has achieved a notable success and the extremely favourable consumer response indicates that it has a very bright future. The main lager brand Carling Black Label also increased its sales and the improvement in regional draught beer sales has continued. A new company—Bass Sales—was formed to specialise in sales in the rapidly expanding grocery trade. The group's share of this market is now in line with its national share of the beer market and the company believes it has excellent opportunities for growth in this area. A current cost revenue statement based on Hyde guidelines shows pre-tax earnings at £84m. This was after adjustment for depreciation of £20m, cost of sales £8m and cost of borrowing £11m. There was a gearing adjustment credit of £6m. Mr. Palmer says that at the annual meeting a special resolution will be proposed to change the company's name to Bass. The reason is to give Charrington and Company a clearly separate identity as the operating company for the South East and London. Meeting Grosvenor House, W1, Thursday, January 25 at noon.

J. Bibby & Sons Limited

Share Registration

Hill Samuel Registrars Limited has been appointed Registrars of J. Bibby & Sons Limited as from 1st January, 1979. All correspondence regarding registration or transfer of shares should in future be addressed to:

Hill Samuel Registrars Limited logo and address: 6 Greencoat Place, London SW1P 1PL. Telephone 01-828-4321. A member of the Hill Samuel Group.

Vertical text on the left margin: ENIES LAND PORT, N-TONKS, FED, 1978, B.

MINING NEWS

Record Krugerrand sales in 1978

BY KENNETH MARSTON, MINING EDITOR

POSSIBLY BECAUSE of caution in front of the U.S. Treasury's doubled offering of 1.5m ounces of gold at its last monthly auction on December 19, sales of South Africa's one-ounce Krugerrand gold coins fell to 594,431 in December from 821,398 in November. Even so, total sales for 1978 were brought to a record 6m coins compared with 3.5m in the previous year. Since 1970, 700.5 tonnes of gold have been sold in the form of these coins. As already reported, fears about the market's ability to absorb the big U.S. offering were dispelled when it was learned that bids were received for some 2.7m ounces. Since then the bullion price has moved higher, closing in London yesterday at \$319 per ounce. Krugerrand sales account for about one quarter of South Africa's production which is running at approximately 700 tonnes a year. The other major supplier of gold is Soviet Russia with an annual output estimated at some 400 tonnes. But industrial demand, alone, for gold is reckoned to have expanded to 1,200 tonnes in 1978. A major sustaining factor in the high industrial demand for gold is the fact that in terms of strong currencies, such as the Swiss franc and the Deutschmark, the bullion price has risen very little over the past two years. In terms of U.S. dollars it has, of course, advanced from only \$136 at the end of 1976, reflecting the weakness of that currency. Fortunately for the South African mines, their country's rand is tied to the dollar, with the result that mine earnings have also advanced despite the accompanying rise in operating costs. What remains to be seen is how well gold prices will perform this year in the face of continued U.S. offerings and those made by the International Monetary Fund; the latter auctions about 470,000 ounces a month. Any recovery in the U.S. economy would also exert pressure on gold prices, but they are underpinned to some extent by the European Monetary System plan to allow EEC central banks to mobilise part of their gold reserves at a market-related price in order to settle transactions among themselves.

BETTER OUTLOOK FOR MESSINA

A slight lifting of the clouds over Messina (Transvaal), the South African and Rhodesian copper mining and industrial group, comes with the chairman's comment that the company's dividend outlook is "more encouraging" than it was a year ago. But Commander H.P. Grenfell adds that he cannot predict any immediate resumption of dividends. He says in the annual report that the necessary phase of consolidation is under way but is still far from complete. Liquidity must be restored, the return on total assets must be raised and the debt burden reduced, he adds. Last month Messina announced that instead of the second-half recovery that had been expected, losses had continued. While mining operations had made a profit, the industrial and financial interests had been subject to losses and write-downs with the result that Messina's overall results for the year to September 30 showed a net loss of R6.42m (£3.64m) against a previous year's profit of R3.75m. The shares stand at 62p.

"If we run short of energy my company will be ready."



Matthew Brown & COMPANY LIMITED Lion Brewery Blackburn. Extract from the Report and Accounts to 30th September, 1978. RESULTS AT A GLANCE—in £'000. Table with columns for 1978 and 1977. Rows include Turnover, Profit before tax, Profit after tax and minorities, Earnings per share (as reported), Earnings per share (fully taxed), Dividends per share. Includes a note about tax changes and a list of key points made by the Chairman.

Advertisement for energy conservation. Text: 'Make no mistake, as energy becomes scarcer and dearer, we're all likely to feel the pinch. Maybe not next week, but almost certainly by the end of this century. On the face of it, 22 years seems like ample time to prepare ourselves. In reality, we're already short of time. The present supplies of North Sea oil and gas won't last for ever. And there are limits to the rate at which we can increase production of coal and nuclear energy. What's more, we'll be into the first quarter of the next century before solar, wave, wind, tidal and geothermal energy together can make a substantial contribution to our energy needs. There is, however, one alternative we can all exploit right away. Energy conservation. But to develop it to its full potential, we'll all have to change our ways. No longer can we take energy for granted. When planning ahead, we'll have to reckon on the real price of energy at least doubling over the next 20 years. So we must find more efficient ways of using existing forms of energy. And we'll have to develop new products that consume less. The Department of Energy has an expanded Energy Survey Scheme to help you financially to find the best way of managing the use of energy and cut out waste in your company. The Department of Industry has an Energy Conservation Scheme for which almost every branch of industry, trade and commerce is eligible. It provides grants for the insulation of premises, the installation of new boiler plants, combined heat and power systems and supporting consultancy work. Both schemes will not only get you ready for the future; they'll start to save you money now. Make it your business to find out more about them. Do it today. All you have to do is uncross your fingers and call 01-211 4029. SAVE IT. Make it your business to save energy. ISSUED BY DEPARTMENT OF ENERGY.'

Kleber to cut loose from Semperit

BY TERRY DODSWORTH IN PARIS

A FURTHER significant change in the shape of the hard-pressed European tyre industry is expected to come from France in the next few weeks.

Michel's glitter has rubbed off on Kleber, which has run up a loss of almost FF 50m (\$12m) in the first half of this year. Now the signs are that Kleber, along with the other Semperit, wants changes.

On the face of it, there appear to be two main possibilities on the cards—either that Semperit and Kleber are merged completely, with the Austrian Government playing a significant role, or that Michel takes on Kleber entirely and integrates it into its own operations.

At all events the Swiss holding company which controls the French and Austrian tyre groups appears doomed. Since its inception, it has rarely shown signs of proving successful.

At the time Kleber and Semperit ranked firmly among the second line tyre makers in Europe in terms of combined sales. But in line with the industry in general recent years have brought weak demand and mounting losses.

Setback for takeover of FGB by Arab investors

BY DAVID LASCELLES IN NEW YORK

A GROUP of Arab investors who are being advised by the London-based Bank of Credit and Commerce International received a setback yesterday in their plans to buy Financial General Bankshares.

This will almost certainly cause considerable delays, and could bring the Arab group beyond the court-imposed March 18 deadline for the takeover.

Whether this deadline could be extended if a hearing is held. Meanwhile, FGB is still fighting the proposed takeover in the courts, alleging that the Arabs have not properly disclosed who is behind it.

Esmil takeover lifts orders

BY CHARLES BATCHELOR IN AMSTERDAM

ESMIL, the environmental technology division of Dutch-German steelmaker Estel Hooghe-Hoogewoerd, has acquired Stork Warkspoor Water.

Both Esmil and Stork Water are involved in all areas of water treatment including the manufacture of purification equipment for drinking, sewer and industrial water and desalination plants.

Water aimed as possible cooperation. The acquisition fits in with Estel's policy of diversifying further out of steelmaking. It also represents a further step in the restructuring of the loss-making VMF-Stork group.

Slowdown in exports at Dassault-Breguet

PARIS — Dassault-Breguet Aviation, the French military and civilian aircraft company, said the value of new export orders received during 1978 was below the record FF 10,970m (\$2,650m) recorded in 1977.

The remainder of Dassault's FF 501.4m capital is held by Societe d'Etudes Marcel Dassault, a company controlled by the group's founder, Marcel Dassault.

Richardson Merrell already has two pharmaceutical subsidiaries in France, Laboratoire Lachartre, at Strasbourg, and Merrell Toroude at Bourgoin-Jallieu in the south-west.

More funds for German oil exploration concern

BY JONATHAN CARR IN BONN

THE WEST GERMAN Government has agreed to provide the oil exploration group Deminex with DM600m (\$329m), either in loans or grants, over the three years to the end of 1981.

German direct access to crude oil reserves abroad. With about DM1.4bn in State support already made available, Deminex is now beginning to see a clear economic return on its activities.

After the acceptances by RentePool participants, AEN issued 320,000 Alirenta shares at FF 100 per share. Alirenta—Algemeen Rentefonds Antillen—aims to put its funds into fixed interest securities, primarily those denominated in guilders. It is already well on the way to using up its total authorised capital of FF 100m.

Firm orders received by the company last year included 48 Mirage F1 fighters for the Spanish Air Force, 42 Alpha-jet trainers and ground support planes for three African countries, 76 of Dassault's Falcon 10, 20 and 50 executive jets, and 40 Jaguar fighters, which are built in cooperation with British Aerospace, for the Indian Air Force.

Sales in 1978 are expected to show a slight increase on the FF 5.7bn achieved in 1977. In a notice to shareholders, the company said that the French Government had exercised its option for the acquisition of a 21 per cent interest in Societe Marcel Dassault-Breguet Aviation under the terms of an agreement worked out in 1976.

The shares acquired by the Government at FF 220 each have double voting rights, giving it a comfortable blocking minority.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest International bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns: U.S. DOLLAR STRAIGHTS, Issued, Bid, Offer, Change on week, Yield. Includes entries for Australia, Austria, Canada, etc.

Table with columns: DEUTSCHE MARK STRAIGHTS, Issued, Bid, Offer, Change on week, Yield. Includes entries for Austria, Belgium, France, etc.

Table with columns: OTHER STRAIGHTS, Issued, Bid, Offer, Change on week, Yield. Includes entries for Bank of Montreal, Bank of Tokyo, etc.

Table with columns: CONVERTIBLES, Cnv. Cvd., Cdv., Cdv. Includes entries for American Express, BNP, etc.

Singapore food group profit increases by 39%

BY OUR SINGAPORE CORRESPONDENT

YEO HIAP SENG, the Singapore food and beverages manufacturer, which has been successful in overseas markets as well, has turned in a 39 per cent increase in group net profit before tax to S\$9,910m (US\$4,590m) for the year ended September 30.

Group sales grew by 30 per cent to S\$31.54m. Yeo Hiap Seng is rewarding shareholders with a first and only dividend of 15 per cent (less tax of 40 per cent) and a 2 1/2 per cent dividend which is exempt from tax, against a total of 10 per cent (less tax) for the previous year.

Drought conditions upset Chin Teck Plantations

BY WONG SULONG IN KUALA LUMPUR

PRE-TAX PROFITS at Chin Teck Plantations, one of the larger locally-owned Malaysian plantations, fell by a third to 2.7m ringgits (US\$1.25m) because of drought conditions.

The company, with more than 20,000 acres, said output at its estates in Kelantan state was badly affected by the drought with the harvest of palm oil falling by nearly 28 per cent to 19,200 tons.

Table with columns: CONVERTIBLES, Cnv. Cvd., Cdv., Cdv. Includes entries for American Express, BNP, etc.

Singapore government set to raise disclosure standards

BY OUR SINGAPORE CORRESPONDENT

THE PROPOSAL by the Singapore Government to tighten the Companies Act to give better protection to investors and to ensure higher ethical standards among directors is in line with its aim of improving the financial services provided in the Republic, and so raise the stature of Singapore as a financial centre.

It is highly probable that the Government will introduce legislation soon to improve disclosure standards of companies listed on the Singapore Stock Exchange. Many listed companies still provide no more than the information required by law.

Expansion by Austrian savings bank

BY PAUL LENDVAI IN VIENNA

ZENTRALSPARKASSE der Gemeindefonds Wien, Austria's largest savings bank, reports an estimated 15 to 20 per cent increase in the consolidated balance sheet total this year from Sch70bn (some \$5.3bn) to Sch73bn.

The bank has a particular interest in trade with Eastern Europe. Over the share of East bloc deals amounts to 60 per cent of the total outstanding foreign credits.

The bank set up its first representative office abroad last year in Milan. Though the office began to operate fully only in the autumn, Dr. Karl Vak, director general, reports brisk business.

Another important venture was the founding of a trading house with the German company Lohmann and Co. of Bremen. This is called Zentral-export Handelsge mBH, and is aimed at assisting medium-sized firms in overseas business.

In general, Mr. Vak sees sharpening competition in Austrian banking. Zentral-sparkasse has also underlined its activities as a commercial bank. Savings deposits in 1978 were up by 15 per cent to Sch35bn.

There is hardly any useful assessment of prospects in most annual reports and hardly any proper analysis of the industries in which companies operate. Many companies do not adequately state their activities and objectives.

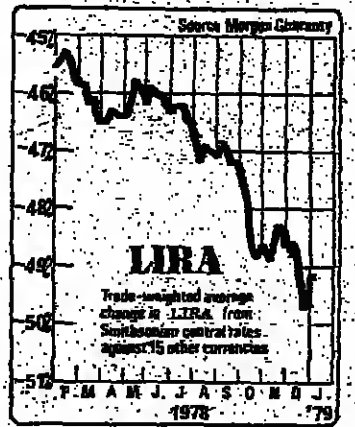


CURRENCIES, MONEY and GOLD

Dollar firms on support

The dollar staged a general recovery in yesterday's foreign exchange market after substantial support by a number of central banks...

figures its trade weighted index fell to 63.7, having stood at 63.6 at noon and 63.7 in early dealings.



reading to DM 1.8590 on bank support for the dollar. It closed at DM 1.8490, well down from the previous close of DM 1.8220.

FRANKFURT - A sharp rise was seen by the dollar at the fixing to DM 1.8394 against DM 1.8084 on Tuesday after the Bundesbank had bought around 970 million marks...

AMSTERDAM - The dollar was quoted at 21.1875 yesterday, compared with 21.18625 on Tuesday. Speculation that the D-mark would be revalued subsided with the postponement of the EMS and the switch out of D-marks pushed the dollar up to 21.2005 while the D-mark declined to 1.8555 against DM 1.8168 in early trading.

Table: THE POUND SPOT FORWARD AGAINST £. Columns: Jan. 3, Day's Spread, Close, One month, 3 months, 6 months.

Table: THE DOLLAR SPOT AND FORWARD. Columns: Jan. 3, Day's Spread, Close, One month, 3 months, 6 months.

Table: CURRENCY RATES. Columns: Currency, Jan. 2, Special European Drawing Unit of Rights Account, Jan. 3, Bank of Morgan England Guaranty Index changes %.

Table: OTHER MARKETS. Columns: Jan. 3, £, \$, and other rates.

EXCHANGE CROSS RATES

Table: Exchange cross rates for various currencies including Pound Sterling, U.S. Dollar, Deutschmark, etc.

EURO-CURRENCY INTEREST RATES

Table: Euro-currency interest rates for various currencies and terms.

INTERNATIONAL MONEY MARKET

New York rates decline

Interest rates were generally easier in New York following efforts by the Federal Reserve to add reserves to the banking system on Tuesday. Federal funds rates fell sharply yesterday to around 10 per cent after rising to 12 per cent on the previous day.

GOLD

Sharp fall

Gold fell sharply in the London bullion market yesterday to \$219.210, a loss of \$6 an ounce. The metal opened at \$221.222 and was fixed during the morning at \$222.10.

UK MONEY MARKET

Full credit supply

Bank of England Minimum Lending Rate 12 1/2 per cent (since November 9, 1978). Day-to-day credit was in ample supply in the London money market yesterday, and the authorities absorbed surplus funds by selling a large amount of Treasury bills to the discount houses and banks.

MONEY RATES

Table: Money rates for various currencies and terms.

LONDON MONEY RATES

Table: London money rates for various currencies and terms.

Norsk Hydro Produksjon a.s. U.S. \$100,000,000 MULTICURRENCY LOAN FACILITY. Includes logo and list of participating banks.

A. AHLSTRÖM OSAKEYHTIÖ U.S. \$75,000,000. Includes logo and list of participating banks.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Renowned and financially independent European ELECTRONIC GROUP (turnover more than 100 million US Dollars in 1978)

with manufacturing facilities for electro-mechanical and electronic products, R & D departments, world-wide patent rights and own marketing and service organization operating internationally

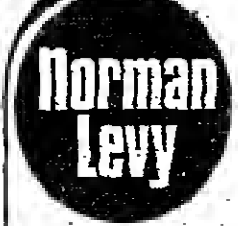
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OVERSEAS COUNTRIES

The cooperation may cover: Mutual financial participation, production and marketing.

Serious and precise offers to our fiduciary agent: ILANZER-VERWALTUNGS AG, P.O.B. 170, CH 7130 Ilanz/Grisons, Switzerland



ANNOUNCES The Sale by AUCTION of Plant and Equipment no longer required in the business of

MAGNAVOX ELECTRONICS COMPANY LIMITED

PRESSES to 400 tons - DIECASTERS - SCREW MACHINES - SWISS AUTOS - MULTISPINDLE AUTOS - LATHES - GRINDERS - MILLERS - DRILLS - Well equipped TOOLROOM and INSPECTION - FORKLIFT TRUCKS - TOTE PANS PALLETS - FURNITURE - CANTEN EQUIPMENT and much misc. workshop equipment

At the works of Magnavox Electronics Co. Ltd., Alfred's Way, By-Pass Road, Barking, Essex on Tuesday and Wednesday, 9th and 10th January 1979, commencing at 10.30 a.m. each day. Viewing 8th January 1979, 9 a.m. to 4.30 p.m. Brochures available from NORMAN LEVY Associates Overseas Inc. P.O. Box 119, London, SW1H 9AJ. Telephone 01-839 5151. Telex 857291 Levy G.

SHORTFALL SOLUTION

For private companies with high liquidity and risk of forced distributions at high tax rates. Fully approved and totally secure method. No risk. Just write your name on company letterhead and post to us today for details. The facility is limited. (We regret no telephone enquiries can be accepted.)

Ackrill, Carr & Partners Limited Tricorn House, Hagley Road, Birmingham B16 8TP

WANTED 50 MILLION U.S. DOLLARS AND UP to acquire established, profitable newspaper, CATV systems and financial institutions and build group in U.S. You supply capital. We supply management and take minority interest. Principals only. Write Box F.1090, Financial Times, 10 Cannon Street, EC4A 4BY.

RETAILING

Public Company expanding its retailing interests requires urgently retail selling space with individual units up to 20,000 sq. ft. We are prepared to acquire assets or equity and either develop the existing business or convert to more suitable retailing operations in which this group already has considerable expertise.

BUSINESSES FOR SALE

FOR SALE FILM DISTRIBUTION COMPANY AND CALIFORNIA REAL ESTATE

An excellent company with large proprietary film library, marketing to international education, training and television. Sales in mid-six figures and profitable. Long-term Beverly Hills office lease. Capitalist staff. Package includes beautiful residence with 3 bedrooms, 3 baths, pool, complete security system, short walk to ocean. Excellent price to qualified foreign buyer.

MANUFACTURING PLANT FOR SALE PITCH FIBRE DRAINAGE SYSTEMS Due to major policy change, a complete manufacturing plant is for sale with an annual capacity of 3.5 million metres p.a. of mixed 75 mm (3in) dia. and 100 mm (4in) dia. pipe.

ESTABLISHED RING ROLLERS Producing to special order, a wide range of rings, including flat, channels, joints, angles, tees, squares, rounds, tubes, etc. Excellent quality. Valuable freehold property and plant and machinery.

PLASTIC EXTRUSION COMPANY FOR SALE Engaged in extrusion of profiles, tubes and pipes up to 6 inches in rigid PVC, Polythene, A.B.S. and Polypolypropylene.

WASTE DISPOSAL COMPANY Excellent profit record, own landfill sites. Liquid and dry wastes. Modern fleet vehicles. Young and aggressive management. Considerable growth potential.

DESIGN COMPANY Interior Design and Decor Business sought in central and/or North West London. Principal wishes to purchase entire capital but would be prepared to consider form of partnership.

WANTED-PATENTS Registered UK and foreign patents for sale in the estimate and related field of activity, including hair and skin. Only patents with 10 or more years to run will be considered.

PLANT AND MACHINERY

MIG Standby power

'Special Offer' Prices. Be independent of power cuts this winter. Ensure continuity of production and services. Keep your customers delivery dates. Be Prepared - Install an MIG push button start or Automatic Mains Failure unit.

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BUSINESS MANAGEMENT COURSES

SELLING TECHNOLOGY TO CHINA A PRACTICAL WORKING PROGRAMME ONE-DAY SEMINAR OF CASE STUDIES AND PERSONAL EXPERIENCES IN RECENT NEGOTIATIONS Wednesday, 17th January, 1979 (10.00 to 5.00) Beaver Hall, Garlick Hill, London, E.C.4 (Near Mansions House)

For advertising details please ring 01-248 8000 Extn. 7008

LOCAL AUTHORITY BONDS

Every Saturday the Financial Times publishes a table giving details of Local Authority Bonds on offer to the public.

BASE LENDING RATES

Table with columns for bank names and interest rates. Includes A.B.N. Bank, Allied Irish Banks Ltd., Amro Bank, etc.

EUROPEAN OPTIONS EXCHANGE

Table showing options exchange data with columns for Series, Vol., Jan., Last, Vol., Apr., Last, Vol., July, Last, Stock.

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. 45 Cornhill, London EC3V 3PB. Tel: 01-823 6314. Index Guide as at December 28, 1978. Capital Fixed Interest Portfolio 100.20 Income Fixed Interest Portfolio 100.40

Finance for Growing Companies. If you are a shareholder in an established and growing company and you, or your company require between £50,000 and £5,000,000 for any purpose, ring David Walls, Charterhouse Development.

PRIVATE COMPANY WISHES TO ACQUIRE COMPANIES IN THE FOLLOWING OR ALLIED FIELDS. Internal telephones, fire alarms, burglar alarms. Telephone answering, public address, time recorders. Pocket paging, mobile radio.

SAUDI ARABIA alongside well-known successful British-based operations. Good local facilities with British expatriate management. Representative visiting UK mid-January.

MILLIONAIRE will back 1. Managing Directors wishing to buy control of their own companies. 2. Companies wishing to expand. Minimum profits £100,000 pre-tax.

LEISURE GROUP Finance (£100,000) required by international company to launch second stage of establishing a new skating concept (not skateboards) with multi-purpose floor.

AUSTRALIA EXPORT OPPORTUNITY Managing director of well-established Australian import agents is now visiting the UK.

DIRECTORSHIP Additional post as part-time, non-executive, or nominee director sought. Wide experience in USA, UK, Europe, both in line management and consultancy.

'U.S. CONNECTION' A versatile businessman would like to represent you in the U.S.A. for a fee or commission basis.

U.S.A. PROPERTIES INVEST WITH NO USA INCOME TAX GULFPORTS INVESTMENT CO. 7102 Walnut Bend, Houston, Texas, 77042. Tel: (713) 654-8029

FREELANCE SECURITY PROFESSIONAL Ex-New Scotland Yard. Available for assignments UK or international, requiring personal involvement.

HOTELS CENTRAL LONDON Medium term finance required by public company, good equity and growth offered. Genuine opportunity for serious company.

OF INTEREST TO PROPERTY COMPANIES - HOTEL GROUPS OR OTHER LARGE USERS OF CARPET Due to change of policy, company has available 3,500 square yards of heavy contract Wilton carpet with small design in browns.

OPPORTUNITY TO INVEST IN EXCITING PLASTICS DEVELOPMENT Established plastics manufacturing company, developing specialised new product with exciting potential, requires £170,000 in loan or share capital.

FINANCE FOR THE SMALLER COMPANY For further information contact: K. LEAN, ARBUTHNOT FACTORS LTD., Breads Place, Hastings, E. Sussex. Tel: 0424-430824

EGYPT Import-Distribution Retail outlets Well established company with offices in Cairo and Alexandria requires suppliers of consumer foodstuffs, baby foods, biscuits, juices, processed cheese, canned fruit.

A SMALL SERVICE COMPANY entering into manufacturing specialised communications and security products of the most advanced design available.

SOUTH EAST ASIA BUSINESS SERVICES Our Modern Offices in Central Singapore offer you the following services: MAIL BOX, TELEPHONE AND TELETYPE FACILITIES.

PRESTIGE CARS WANTED TO ALL COMPANY DIRECTORS TRANSPORT MANAGERS AND PRIVATE CAR OWNERS Are you obtaining the best price for your low-mileage prestige motor-cars?

THE NIKON SPECIALISTS Euro Foto Centre is the largest Nikon Camera Specialist. Huge Stocks, expert advice and lowest prices on all Nikon equipment.

LABOUR-TENDERING? FOR THE LABOUR COMPONENTS OF ANY OPERATION IN ANY COUNTRY CONSULT: GRIFCAMP HOLDINGS INTERNATIONAL LTD.

Public Company expanding its retailing interests requires urgently retail selling space with individual units up to 20,000 sq. ft.

FOR SALE FILM DISTRIBUTION COMPANY AND CALIFORNIA REAL ESTATE An excellent company with large proprietary film library, marketing to international education, training and television.

MANUFACTURING PLANT FOR SALE PITCH FIBRE DRAINAGE SYSTEMS Due to major policy change, a complete manufacturing plant is for sale.

FOR SALE VIDEO Co. WELL ESTABLISHED, WITH ELECTRONIC INTERESTS. PRINCIPALS ONLY

FOR SALE SQUASH AND LEISURE COMPLEX Profitable Squash Club with four courts. Large swimming membership. Licensed. Late night Disco. Restaurant. Laundry. First Aid. Under Management. Freehold. Located Cotswolds. Offers over £125,000.

INTERNATIONAL POWER TOWER RANGE OF EQUIPMENT FOR SALE Suitable for progressive company involved in the civil engineering equipment or scaffolding plant products. Existing 97-point lines.

Established Group wishes to acquire car accessories business. Please reply to: The Managing Director, P. H. Betts (Holdings) Ltd., 2 Bridge Street, Framlingham, Suffolk.

WANTED-PATENTS Registered UK and foreign patents for sale in the estimate and related field of activity, including hair and skin.

Handwritten text in Arabic script: هكذا من التجرب

Group posts at Laing

Mr. J. H. Ballard has been appointed to the main board of JOHN LAING. He joined the group in 1969 and has been responsible for management planning, including strategic planning and computerized since 1976. Mr. J. M. Watt has been made vice chairman and Mr. J. P. Passey managing director of John Laing International, the company responsible for overseas projects of the Laing Group. Mr. Watt and Mr. Passey, director of operations of the company.

Mr. J. V. Bisset, Mr. J. E. Hamilton and Mr. A. C. Pontin have been appointed to the Board of WHITECROFT.

Mr. P. R. Keyes and Mr. J. W. N. Yeomans have joined the Board of REDIFON, a member of the Redifon Group.

Mr. James A. Blair has retired as managing director and director of the ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY COMPANY and its subsidiaries. Mr. P. J. A. Deane, a director since 1968, has been appointed executive director in London.

Mr. Keith Turner has been appointed managing director of CARLES SOLVENTS, succeeding Mr. Alfred Levy, who continues as chairman.

Mr. William J. Eckert has been elected president and managing operating officer of AZCON CORPORATION. Mr. David Lloyd-Jacob, president and chief executive officer since 1974 and chairman since June 1978, will remain as chairman and chief executive officer.

The Ministry of Defence announces the appointment of Dr. David Davies as director of the ROYAL ARMAMENT RESEARCH AND DEVELOPMENT ESTABLISHMENT from April 1. He will succeed Mr. William Lord who is retiring from the public service.

Lord Chalfont has been appointed chairman of INDUSTRIAL CLEANING SERVICES in succession to the late Lord Gen. Sir David Peel Yates.

The Institute of London Underwriters states that the Institute Committee for 1978 consists of the following: Mr. R. J. Bromley, Mr. R. Clarke, Mr. A. E. Baxton, Mr. D. D. Lewen, Mr. A. E. Mann, Mr. D. McMahon, Mr. H. G. Merriman, Mr. A. S. Nunn, Mr. E. D. Rainbow, Mr. A. J. Richardson, Mr. J. D. Russell-Taylor, Mr. D. Town, Mr. H. C. J. Vines, Mr. R. K. Williams and Mr. P. J. Wingett.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100), engineering orders (1970=100), retail sales volume, retail sales value (1971=100), registered unemployment (excluding school-leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail sales vol.	Retail sales value	Unempl.	Vacancies
1977	106.3	102.1	106	104.3	234.2	1.413	151
3rd qtr.	106.3	102.1	106	104.3	234.2	1.413	151
4th qtr.	106.3	102.1	106	104.3	234.2	1.413	151
1978	107.1	102.5	108	106.3	246.0	1.409	188
1st qtr.	111.1	108.0	105	108.0	254.2	1.387	213
2nd qtr.	111.6	104.5	113	110.8	267.6	1.389	213
June	111.8	108.9	109	111.4	263.3	1.371	211
July	112.7	108.2	109	111.8	270.3	1.392	209
August	113.1	108.5	109	109.5	266.6	1.378	211
Sept.	109.4	104.5	109	109.4	267.2	1.369	228
Oct.	110.1	100.8	110	110.1	263.9	1.339	221
Nov.	110.7	101.0	110	110.7	263.9	1.339	221
Dec.	114.0	114.9	114.3	114.0	263.9	1.339	221

OUTPUT—By market sector: consumer goods investment goods, intermediate goods (materials and fuels), engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invest. goods	Intmd. goods	Eng. output	Metal mfg.	Textile	Leather	Clothing	Housing starts
1977	104.3	98.7	116.5	99.9	107.8	101.3	25.4	17.8	20.7
3rd qtr.	104.3	98.7	116.5	99.9	107.8	101.3	25.4	17.8	20.7
4th qtr.	104.3	98.7	116.5	99.9	107.8	101.3	25.4	17.8	20.7
1978	105.3	98.5	116.3	100.8	95.4	97.2	17.8	21.1	21.1
1st qtr.	107.1	100.5	122.4	101.7	108.3	99.4	27.1	21.1	21.1
2nd qtr.	107.1	100.5	122.4	101.7	108.3	99.4	27.1	21.1	21.1
June	109.0	100.0	124.0	101.0	112.0	100.0	38.9	21.1	21.1
July	106.0	101.0	124.0	101.0	113.0	104.0	33.6	21.1	21.1
August	109.0	101.0	122.0	104.0	93.0	104.0	20.3	21.1	21.1
Sept.	107.0	104.0	122.0	100.0	101.0	101.0	24.5	21.1	21.1
Oct.	106.0	98.0	122.0	99.9	101.0	99.0	24.1	21.1	21.1

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance; terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US\$bn
1977	124.4	104.6	+ 31	+ 375	- 602	101.0	13.4
3rd qtr.	124.4	104.6	+ 31	+ 375	- 602	101.0	13.4
4th qtr.	124.4	104.6	+ 31	+ 375	- 602	101.0	13.4
1978	119.5	114.1	- 4.6	- 41	- 642	104.8	20.63
1st qtr.	123.0	110.2	+ 12.8	+ 126	- 598	104.6	16.78
2nd qtr.	123.2	116.1	- 24.2	- 26	- 515	105.3	16.68
3rd qtr.	124.4	111.3	+ 46	+ 132	- 58	105.7	16.4
August	128.1	120.3	+ 38	+ 132	- 98	105.4	16.31
Sept.	127.4	111.9	+ 35	+ 72	- 136	105.3	15.97
Oct.	124.5	120.3	+ 4.2	+ 187	- 106.6	105.6	15.67
Nov.	124.5	120.3	+ 4.2	+ 187	- 106.6	105.6	15.67
Dec.	124.5	120.3	+ 4.2	+ 187	- 106.6	105.6	15.67

FINANCIAL—Money supply M1 and sterling M3 bank advances to sterling in the private sector (three months' growth at annual rate); domestic credit expansion (Em); building societies' net inflow; EP, new credit, all seasonally adjusted. Minimum lending rate (end period).

	Bank adv.	Dom. credit	Build. soc.	Net inflow	EP	New credit	Min. lending rate
1977	280.0	10.4	20.3	+ 365	1.157	1.149	7
3rd qtr.	280.0	10.4	20.3	+ 365	1.157	1.149	7
4th qtr.	280.0	10.4	20.3	+ 365	1.157	1.149	7
1978	24.3	23.8	17.5	+ 1,791	1,049	1,260	6 1/2
1st qtr.	8.5	14.2	24.6	+ 2,898	894	1,393	10
2nd qtr.	16.8	5.3	8.6	+ 823	200	483	10
3rd qtr.	16.8	5.3	8.6	+ 823	200	483	10
August	16.6	5.3	8.6	+ 713	246	478	10
Sept.	13.8	5.5	1.5	+ 103	363	489	10
Oct.	12.3	10.6	9.8	+ 106	261	410	12 1/2
Nov.	12.3	10.6	9.8	+ 106	261	410	12 1/2
Dec.	12.3	10.6	9.8	+ 106	261	410	12 1/2

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1962=100); trade weighted value of sterling (Dec. 1971=100).

	Earn. index	Basic matls.	Wholesale	RPI	Foods	FT	Strls.
1977	116.1	146.4	142.9	184.7	192.1	239.9	61.3
3rd qtr.	116.1	146.4	142.9	184.7	192.1	239.9	61.3
4th qtr.	116.1	146.4	142.9	184.7	192.1	239.9	61.3
1978	123.1	140.2	149.2	190.6	197.3	238.61	64.6
1st qtr.	129.9	146.3	152.0	198.3	203.8	242.27	61.5
2nd qtr.	133.2	144.9	156.7	199.2	206.2	245.64	62.4
3rd qtr.	141.6	144.2	154.8	199.4	206.2	245.64	62.7
August	143.2	144.3	155.7	200.2	206.2	245.64	62.5
Sept.	135.1	145.8	156.6	201.1	205.5	245.64	62.7
Oct.	147.5	157.1	162.5	202.5	207.9	245.64	63.0
Nov.	147.5	157.1	162.5	202.5	207.9	245.64	63.0
Dec.	147.5	157.1	162.5	202.5	207.9	245.64	63.0

* Not seasonally adjusted.

Metal Box deputy chairman

Mr. D. I. Allport has been appointed deputy chairman of METAL BOX and continues as managing director. He joined the company in 1946, became a member of the main board in 1973 and has been managing director since August 1977.

Mr. N. Draper, having reached retirement age has resigned as a director of MINSTER ASSETS.

Mr. Michael D. Teden has been appointed a director and vice-president of a new company, LUMSDEN BUCKLEY AND HOUSTON of America Inc. The company is a subsidiary of Lumsden Buckley and Houston, Lumsden's brokers, and will operate in association with Collier Cobb and Associates, Inc., a major American insurance brokerage company of Charlotte, North Carolina.

IBM UNITED KINGDOM states that Mr. K. T. Woodard, general

systems director, has been appointed assistant to Mr. F. J. Cumiskey, president of IBM's general business group/International in White Plains, New York. Mr. T. H. Osborne, general systems sales manager, has become general systems divisional manager in place of Mr. Woodard.

Mr. Hans Wolpers, vice-president, has been named manager of CROCKER NATIONAL BANK'S London branch. He retains responsibilities as senior credit administrator for Europe, Middle East and Africa, as well as also regional manager for the UK, Ireland and Scandinavia.

As a result of a planned reorganisation of internal responsibilities, Mr. A. C. Havers will be retiring from the Board of RECKITT AND COLMAN on January 31. He has been a director since November 1968 and has

BCCI HOLDINGS (LUXEMBOURG) S.A.

Pursuant to a decision made by Bank of Credit and Commerce International S.A. (Head Office Luxembourg), Bank of Credit and Commerce International (Overseas) Limited (Head Office Grand Cayman) and BCCI Holdings (Luxembourg) S.A. (Head Office Luxembourg), all branches of Bank of Credit & Commerce International (Overseas) Limited in the United Kingdom, have been taken over by Bank of Credit & Commerce International S.A. as of 1st January 1979, while all branches of Bank of Credit and Commerce International S.A. in Egypt and Oman have been taken over by Bank of Credit and Commerce International (Overseas) Ltd., effective the same date.

Since both the banks are wholly owned subsidiaries of BCCI Holdings (Luxembourg) S.A., this move shall not involve any change of shareholding or management and the operations policies and customer relationships shall not be affected.

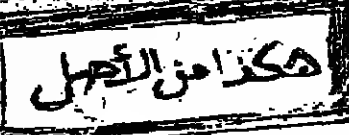
Required approvals and consents have been obtained from the authorities concerned.

NOTICE OF REDEMPTION

EUROPEAN COAL AND STEEL COMMUNITY (E.C.S.C.) U.S. \$50,000,000 - 7% - 1974/89

The Commission of the European Communities informs herewith the bearers of Bonds that a selection by lot for a principal amount of U.S. \$4,000,000 has been made for redemption in the presence of a Notary Public on 12th December, 1978 at the Chase Manhattan Bank N.A., New York.

Number of Bonds selected by lot—	
108	47
109	211
110	350
111	480
112	609
113	749
114	918
115	1083
116	1248
117	1413
118	1578
119	1743
120	1908
121	2073
122	2238
123	2403
124	2568
125	2733
126	2898
127	3063
128	3228
129	3393
130	3558
131	3723
132	3888
133	4053
134	4218
135	4383
136	4548
137	4713
138	4878
139	5043
140	5208
141	5373
142	5538
143	5703
144	5868
145	6033
146	6198
147	6363
148	6528
149	6693
150	6858
151	7023
152	7188
153	7353
154	7518
155	7683
156	7848
157	8013
158	8178
159	8343
160	8508
161	8673
162	8838
163	9003
164	9168
165	9333
166	9498
167	9663
168	9828
169	9993
170	10158
171	10323
172	10488
173	10653
174	10818
175	10983
176	11148
177	11313
178	11478
179	11643
180	11808
181	11973
182	12138
183	12303
184	12468
185	12633
186	12798
187	12963
188	13128
189	13293
190	13458
191	13623
192	13788
193	13953
194	14118
195	14283
196	14448
197	14613
198	14778
199	14943
200	15108
201	15273
202	15438
203	15603
204	15768
205	15933
206	16098
207	16263
208	16428
209	16593
210	16758
211	16923
212	17088
213	17253
214	17418
215	17583
216	17748
217	17913
218	18078
219	18243
220	18408
221	18573
222	18738
223	18903
224	19068
225	19233
226	19398
227	19563
228	19728
229	19893
230	20058
231	20223
232	20388
233	20553
234	20718
235	20883
236	21048
237	21213
238	21378
239	21543
240	21708
241	21873
242	22038
243	22203
244	22368
245	22533
246	22698
247	22863
248	23028
249	23193
250	23358
251	23523
252	23688
253	23853
254	24018
255	



Lead slips from peak price level

By Our Commodities Staff
LEAD prices for lead fell sharply in the London Metal Exchange yesterday...

New hope for threatened fishing port

BY RICHARD MOONEY
NEW HOPE for the survival of the Lancashire fish port of Fleetwood has resulted from talks between local fish merchants and other interested parties...

CANADIAN WHEAT PRICE CHANGES

WINNIPEG - Canada has changed its calculation for wheat export prices to account for the closure of the Great Lakes and increased competitiveness of U.S. hard winter wheat...

French plan stockpile boost

BY DAVID WHITE IN PARIS
THE FRENCH Government plans to increase its strategic oil and raw material stocks to a level worth about £150m. Initial details of the plan were revealed in Paris yesterday...

EEC SUGAR EXPORTS

BRUSSELS - The EEC Commission authorised sales of 41,750 tonnes of white sugar at its weekly tender yesterday...

Brazil soya uncertain

RIO DE JANEIRO - Trade sources in Porto Alegre, Sao Paulo and here said yesterday they doubted that Brazil could produce 14.5m tonnes of soya-beans this year...

Rise in cocoa use estimated

By Our Commodities Staff
HIGHER COCOA grindings figures in major importing countries were forecast for the fourth quarter of 1978 yesterday by Albrecht and Dill, the Hamburg trade house...

Utah's multi-faceted jewel

U.S. MINING

By PAUL CHEERSIGHT
KENNECOTT COPPER, whose ore reserves in the U.S. are greater than those of any other group, still hopes that some protection will be given to the industry by the Carter Administration...

Benefit

The precious and rare minerals are only present at the orebody in trace elements. To gain the maximum economic benefit from them, copper production has to be kept up...

Disadvantage

It is precisely this sort of expenditure, Kennecott and other U.S. producers feel, that puts them at a disadvantage compared with other international producers...

Poles buy wheat from USSR

WARSAW - Poland yesterday signed a contract with the Soviet Union to purchase 500,000 tonnes of wheat this year for human consumption...

Coal Board challenged over colliery land loss claims

BY OUR COMMODITIES STAFF
THE NATIONAL Coal Board has "severely underestimated" the amount of land that will be lost to farming if coal is mined in the Vale of Belvoir...

China loses rice outlet

FOR THE first time in 27 years Sri Lanka will not buy rice from China, the island's major rice supplier...

Wool futures

LONDON - The market was quiet reported trading in wool futures...

American Markets

NEW YORK, Jan. 3. Coffee - C contracts March 132.50-135.00, Sept 131.50, Dec 131.00...

BRITISH COMMODITY MARKETS

Table with columns for Commodity, Unit, and Price. Includes sections for Base Metals, Coffee, Wheat, and Sugar.

GRAINS

Table with columns for Commodity, Unit, and Price. Includes sections for Wheat, Barley, and Oats.

WHEAT

Table with columns for Commodity, Unit, and Price. Includes sections for Wheat and Barley.

PRICE CHANGES

Table with columns for Commodity, Unit, and Price. Includes sections for Metals, Rubber, and Wool.

MEAT/VEGETABLES

Table with columns for Commodity, Unit, and Price. Includes sections for Meat and Vegetables.

SOYABEAN MEAL

Table with columns for Commodity, Unit, and Price. Includes sections for Soyabean Meal and Soyabean Oil.

EUROPEAN MARKETS

Table with columns for Commodity, Unit, and Price. Includes sections for Wheat, Barley, and Oats.

INDICES

Table with columns for Index Name, Value, and Change. Includes sections for Financial Times, Dow Jones, and Moody's.

ContiCommodity advertisement: OUR PRECIOUS METALS OUTLOOK 1979 IS AVAILABLE - WRITE OR PHONE...

LEGAL NOTICES advertisement: IN THE MATTER OF MULTIMEDIA EDUCATION LIMITED AND COMPANIES...

TRAVEL advertisement: Venturing is taking salt and butter in your tea. Find out about Venturing in Saturday's Financial Times.

GOLDGRAVE LIMITED advertisement: NOTICE IS HEREBY GIVEN that the Partition for the winding up of the above-named Company...

SILVER advertisement: Silver was fixed 0.1p an ounce higher for spot delivery in the London Bullion Market yesterday...

WHEAT advertisement: LONDON FUTURES (GAFTA) - Wheat options market on the day...

WHEAT advertisement: WHEAT - LONDON FUTURES (GAFTA) - Wheat options market on the day...

COCOA advertisement: Cocoa futures eased further due to renewed Commission House optimism...

WHEAT advertisement: WHEAT - LONDON FUTURES (GAFTA) - Wheat options market on the day...

WHEAT advertisement: WHEAT - LONDON FUTURES (GAFTA) - Wheat options market on the day...

COFFEE advertisement: ROBUSTAS continued in their steady vein and continued buying in the futures...

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LONDON STOCK EXCHANGE

Companies and Markets

Bear squeeze triggers good rise in equity leaders 30-share index stages biggest rise since mid-November

Account Dealing Dates
Option
First Declara- Last Account
Dealings (ions Dealings Day
Dec. 11 Dec. 28 Dec. 29 Jan. 9
Jan. 2 Jan. 11 Jan. 12 Jan. 23
Jan. 15 Jan. 25 Jan. 26 Feb. 6

among which the 4 1/2 per cent
1898 issue rose 1 1/2 points to £21.
More interest was shown in
the investment currency market,
particularly on institutional account
and, after touching 84 per cent
the premium closed 1 1/2
higher at 83 1/2 per cent. Yesterday's
SE conversion factor was
0.7039 (0.6997).

Foods moved ahead on the
appearance of a few small
buyers. J. Sainsbury added 4
to 227p. Avana added 3 for a
two-day gain of 5 to 232p in
response to Press comment, but the
lower interest left Somportex 2
cheaper at 62p after 60p.

and Lookers gained the same
amount to 64p, while British
Car Auctions added 3 to 541p.
Ahead of today's half-timer,
Fodens added 2 to 57p. Speculative
counter ERF finished 4 better
at 130p. Rolls-Royce moved
ahead following delayed reaction
to an investment recommendation
and rose 3 1/2 to 98p.

FINANCIAL TIMES STOCK INDICES
Table with columns: Index, Jan 3, Jan 2, Dec 29, Dec 28, Dec 27, Dec 26, Year ago

HIGHS AND LOWS S.E. ACTIVITY
Table with columns: 1978/9, High, Low, Since Completion, Jan 3, Jan 2

NEW HIGHS AND LOWS FOR 1978/9
Table with columns: Stock, High, Low, Change

RISES AND FALLS YESTERDAY
Table with columns: Stock, Up, Down, High, Low

ACTIVE STOCKS
Table with columns: Stock, Denomina- No, Closing price, Change, 1978-79, 1978-79

ANNOUNCEMENT
Van der Hoop, Offers & Zoon N.V.
Bankers
Ao 1807
We herewith announce that effective December 30, 1978 the name of our institution has been changed into BANK VAN DER HOOP OFFERS N.V.

BUILDING AND CIVIL ENGINEERING
The Building and Civil Engineering page is published in the Financial Times every Monday and carries news items relating to contracts and important developments in the Construction Industry.

INVEST IN 50,000 BETTER TOMORROWS!
50,000 people in the United Kingdom suffer from progressively paralyzing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF AND HOPE.

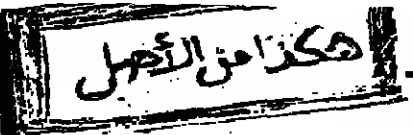
LONDON TRADED OPTIONS
Table with columns: Option, Ex-cess price, Closing offer, Vol., Closing offer, Vol., Equity close

RECENT ISSUES EQUITIES
Table with columns: Issue, Price, Date, Stock, Price, Date, Stock, Price, Date, Stock

FIXED INTEREST STOCKS
Table with columns: Issue, Price, Date, Stock, Price, Date, Stock, Price, Date, Stock

"RIGHTS" OFFERS
Table with columns: Issue, Price, Date, Stock, Price, Date, Stock, Price, Date, Stock

FT-ACTUARIES SHARE INDICES
These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries
Table with columns: EQUITY GROUPS, GROUPS & SUB-SECTIONS, Index No., Day's Change, Est. Earnings Yield, Gross Div. Yield, Est. P/E Ratio, Index No., Index No., Index No., Index No., Index No.



OFFSHORE AND OVERSEAS FUNDS

Table of financial indices including S.E. ACTIVITY, CORAL INDEX, and INSURANCE BASE RATES. It lists various market indicators and their corresponding values.

AUTHORISED UNIT TRUSTS

Table listing various authorized unit trusts such as Abbey Life Assurance Co. Ltd., Almeida & Co. Ltd., and others, including their fund names and performance metrics.

INSURANCE AND PROPERTY BONDS

Table listing insurance and property bonds from companies like Almeida & Co. Ltd., British Life Assurance Co. Ltd., and others, detailing their respective bond offerings.

NOTES

Notes section containing important financial information, disclaimers, and contact details for the publisher.

Food values

FT SHARE INFORMATION SERVICE

BONDS & RAILS—Cont.

BANKS & HP—Continued

CHEMICALS, PLASTICS—Cont.

ENGINEERING—Continued

BRITISH FUNDS

High Low Stock Price + or - Div. % Yield

Table of British Funds with columns for High, Low, Stock, Price, Div. %, and Yield.

AMERICANS

High Low Stock Price + or - Div. % Yield

Table of American Funds with columns for High, Low, Stock, Price, Div. %, and Yield.

Over Fifteen Years

High Low Stock Price + or - Div. % Yield

Table of funds with over 15 years of history.

Undated

High Low Stock Price + or - Div. % Yield

Table of undated funds.

INTERNATIONAL BANK

High Low Stock Price + or - Div. % Yield

Table of International Bank funds.

CORPORATION LOANS

High Low Stock Price + or - Div. % Yield

Table of Corporation Loans.

COMMONWEALTH & AFRICAN LOANS

High Low Stock Price + or - Div. % Yield

Table of Commonwealth & African Loans.

AMERICANS

High Low Stock Price + or - Div. % Yield

Table of American stocks.

CANADIANS

High Low Stock Price + or - Div. % Yield

Table of Canadian stocks.

BANKS AND HIRE PURCHASE

High Low Stock Price + or - Div. % Yield

Table of Banks and Hire Purchase.

FOREIGN BONDS & RAILS

High Low Stock Price + or - Div. % Yield

Table of Foreign Bonds & Rails.

FINANCIAL TIMES

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EDITORIAL OFFICES

Amsterdam: P.O. Box 1296, Amsterdam-C.

Hire Purchase, etc.

Table of Hire Purchase and other services.

BEERS, WINES AND SPIRITS

High Low Stock Price + or - Div. % Yield

Table of Beers, Wines and Spirits.

BUILDING INDUSTRY, TIMBER AND ROADS

High Low Stock Price + or - Div. % Yield

Table of Building Industry, Timber and Roads.

CONVERSION FACTORS

Conversion factors for various units.

DRAPERY AND STORES

High Low Stock Price + or - Div. % Yield

Table of Drapery and Stores.

ELECTRICAL AND RADIO

High Low Stock Price + or - Div. % Yield

Table of Electrical and Radio.

FOOD, GROCERIES, ETC.

High Low Stock Price + or - Div. % Yield

Table of Food, Groceries, etc.

ENGINEERING MACHINE TOOLS

High Low Stock Price + or - Div. % Yield

Table of Engineering Machine Tools.

HOTELS AND CATERERS

High Low Stock Price + or - Div. % Yield

Table of Hotels and Caterers.

INDUSTRIALS (Miscel.)

High Low Stock Price + or - Div. % Yield

Table of Industrial (Miscellaneous).

INDUSTRIALS (Cont.)

High Low Stock Price + or - Div. % Yield

Table of Industrial (Continued).

INDUSTRIALS (Cont.)

High Low Stock Price + or - Div. % Yield

Table of Industrial (Continued).

INDUSTRIALS (Cont.)

High Low Stock Price + or - Div. % Yield

Table of Industrial (Continued).

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High Low Stock Price + or - Div. % Yield

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INDUSTRIALS (Cont.)

High Low Stock Price + or - Div. % Yield

Table of Industrial (Continued).

INDUSTRIALS (Cont.)

High Low Stock Price + or - Div. % Yield

Table of Industrial (Continued).

Table of Food, Groceries, etc. (continued).

Table of Hotels and Caterers (continued).

Table of Industrial (Miscellaneous) (continued).

Table of Industrial (Miscellaneous) (continued).

Table of Industrial (Miscellaneous) (continued).

Table of Industrial (Miscellaneous) (continued).

Table of Industrial (Miscellaneous) (continued).

Table of Industrial (Miscellaneous) (continued).

Table of Industrial (Miscellaneous) (continued).



INDUSTRIALS—Continued. Table listing various industrial stocks with columns for stock name, price, and other financial metrics.

INSURANCE—Continued. Table listing insurance companies and their stock prices.

PROPERTY—Continued. Table listing property-related stocks and their prices.

INVESTMENT TRUSTS—Cont. Table listing investment trusts and their performance.

FINANCE, LAND—Continued. Table listing finance and land-related stocks.

NEW JAPAN SECURITIES. Tokyo, Japan. New Japan Securities Europe Limited. LONDON, EC2R 6JH. Tel: 06-6281-2. Includes sections for AUSTRALIAN, TINS, COPPER, MISCELLANEOUS, GOLDS & SILVER, RUBBERS AND SISALS, TEAS, India and Bangladesh, Sri Lanka, Africa, MINES, CENTRAL RAND, EASTERN RAND, FAR WEST RAND, O.F.S., FINANCE, DIAMOND AND PLATINUM, CENTRAL AFRICAN, and REGIONAL MARKETS.

LEISURE. Table listing leisure-related stocks.

MOTORS, AIRCRAFT TRADES. Table listing motor and aircraft trade stocks.

SHIPBUILDERS, REPAIRERS. Table listing shipbuilding and repair stocks.

SHIPPING. Table listing shipping-related stocks.

SHOES AND LEATHER. Table listing shoe and leather goods stocks.

SOUTH AFRICANS. Table listing South African stocks.

TEXTILES. Table listing textile-related stocks.

NEWSPAPERS, PUBLISHERS. Table listing newspaper and publishing stocks.

PAPER, PRINTING ADVERTISING. Table listing paper, printing, and advertising stocks.

PROPERTY. Table listing property stocks.

TRUSTS, FINANCE, LAND. Table listing trusts, finance, and land stocks.

Options 3-month Call Rates. Table listing options and call rates.

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FINANCIAL TIMES

Thursday January 4 1979

Weatheralls To Let Offices

Lawyer picked to form government for Iran

BY SIMON HENDERSON IN TEHRAN

DR. SHAPOUR BAKHTIAR, a relatively unknown lawyer, was given the formidable task yesterday of forming a civilian government to guide Iran out of political chaos.

a religious context, I think my government will not do that. Israel should reach agreement with her Arab neighbours who, like Iran, were Islamic countries.

National Front last Saturday, said that he was not yet Prime Minister, but he hoped to present his government in the next three days.

country at the time, was held up prominently behind Dr. Bakhtiari as he spoke. Observers here firmly believe Dr. Bakhtiari still has a long way to go before taking over power as he has yet to win open support from the anti-Shah Muslim clergy as well as sections of the senior generals who are believed to prefer that the Shah stays at any cost.

Cambodia prepares to defend capital

By Richard Nations in Bangkok

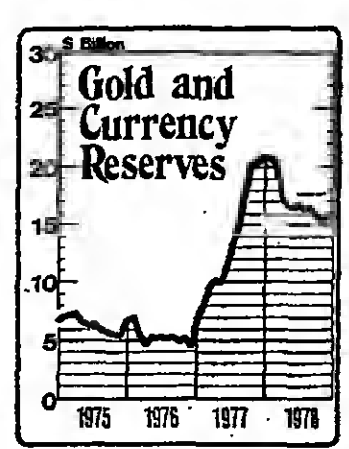
VIETNAMESE TROOPS pushing far into Cambodia have gained effective control over most of the east bank of the Mekong River and plan to cut off Phnom Penh, the Cambodian capital from Kampong Som, the country's only seaport, according to reliable intelligence reports.

Reserves show rise of \$25m

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BRITAIN'S official reserves were increased last month by the largest underlying inflow of foreign currency since July as the authorities tried to keep sterling from rising too far.

some of the stronger Continental currencies. The Government has repeated during the past two months that its policy is to maintain the stability of sterling against the currencies of its main trading partners, usually measured by the Bank of England trade-weighted index.



day's low of \$2,007. The trade-weighted index dropped by 0.2 to 63.7. The underlying inflows produced last month by holding the pound stable have not yet been sufficient to raise worries about their impact on the growth of the money supply, as happened in autumn, 1977.



forces, said yesterday that they had besieged the Mekong city of Kompong Cham and were within 40 miles of the capital.

Mr. Ieng Sary, Cambodia's Deputy Premier, has alleged a message to Dr. Kurt Waldheim, UN Secretary-General, that Soviet pilots have joined in the Vietnamese attacks this week.

The vital question is what China is prepared to do to support its Cambodian allies. Since Christmas, the propaganda war between Peking and Hanoi has intensified, but intelligence reports so far detect no significant military mobilisation by China.

Vietnam has captured the river port of Kratie, headquarters for the Cambodian north-east military command and a crucial communications centre.

Road hauliers face tighter controls in new proposals

BY LYNTON McLAIN

TOUGH MEASURES to tighten control of Britain's road hauliers, with more checks on heavy lorries, bans on dishonest drivers and the compulsory fitting of tachographs for persistent offenders are recommended in a Government-backed report published yesterday.

restricting the number of licences issued. Instead, a permanent independent committee should be set up to review vehicle excise duties so that duty would be related to the damage particular types of lorry caused to the environment.

ance by the committee that the licensing system worked well. The Road Haulage Association supported the recommendations aimed at discouraging unlawful operations; it also had serious misgivings about the Foster recommendation that officials should be brought into licensing areas to prosecute drivers.

These reflected the "loose ends of the system which allowed illegal 'cowboy' operators to trade," said Professor Foster. The system worked well in other respects, but the Government was ill-prepared to judge the impact of heavy lorries on the environment.

The recommendations are likely to become a cornerstone of the Transport Department's future reviews of the heavy lorry. Mr. Rodgers said he was anxious to build upon the 91 ideas.

Road Haulage Operators' Licensing, report of the independent committee of inquiry, SO 44.

Guadeloupe talks start today

BY RICHARD EVANS, LOBBY EDITOR

MR. JAMES CALLAGHAN will join President Jimmy Carter of the U.S. Chancellor Helmut Schmidt of West Germany, and President Giscard d'Estaing of France, on the French Caribbean island of Guadeloupe today for informal talks on world political and security problems.

of oil supplies from Iran will be discussed in some detail. Concentration on security issues, particularly the SALT talks, will give European leaders a relatively rare opportunity to influence the content of future talks between the U.S. and USSR on arms limitation after agreement on SALT 2.

Mr. Carter, probably on Sunday, when the summit has finished, to discuss the worsening situation in Rhodesia and prospects for reviving an Anglo-American initiative after the fact-finding visit by Mr. Cledwyn Hughes, Labour MP for Anglesey.



GENERAL ORTIN

Terrorists gun down military governor

By Robert Graham in Madrid

TWO UNIDENTIFIED major terrorists yesterday assassinated General Constantino Ortin Gil, the military governor of Madrid, outside his home in the centre of the city.

It was the second terrorist attack on a military officer this year and a further indication of the growing wave of politically-motivated violence in Spain.

On Tuesday, Major Jose Maria Herrera, adjutant to the military governor of Guipuzcoa province in the Basque country, was shot dead in San Sebastian - an act for which the militant Basque separatist group, ETA, claimed the responsibility yesterday. Recently, ETA also attempted to abduct the military governor of Guipuzcoa.

Plessey division may go to U.S.

By John Lloyd

TALKS ARE being held by General Instruments, the U.S. electronic company, with Plessey about the possible acquisition of the UK company's semiconductor division, although a three-month-old offer by the General Electric Company (GEC) to buy the division still formally lies on the table.

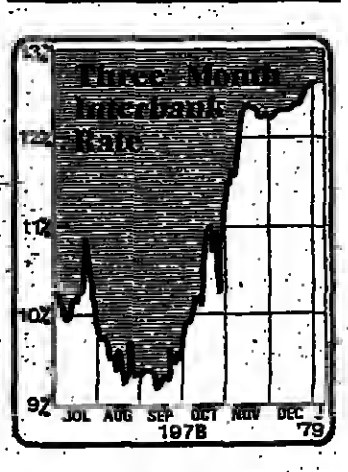
Mr. Lorne Weil, General Instruments' vice president in charge of corporate development, said last night: "We are moving into a more serious phase of negotiations."

General Instruments said that while acquisition was the most probable outcome, if the talks were successful, a joint venture between the two operations could not be ruled out. Plessey's semiconductor sales last year were about £14m.

THE LEX COLUMN Identikit offer from Norcros

Last May Johnson-Richards Tiles accepted terms worth around 137p from Hepworth Ceramic, only for the offer to lapse when the merger was referred to the Monopolies Commission. Now Norcros is attempting to take up the running where Hepworth left off, by proposing provisional terms of five Norcros Ordinary plus 300p in cash for every six J-R shares.

Index rose 6.9 to 479.9



There was perhaps some surprise that the dollar had not come under heavier pressure on Tuesday, the first dealing day of the year, and only a gentle nudge from the central banks was needed, in the absence of any more bad news from Iran, to encourage strong dollar buying.

Ward may be back on the right road, but the going from now on is likely to prove rather slower. The scrap market is a little weaker now than at the end of the summer, stock profits will not be repeated, the Ford strike will probably cost the motor vehicle side around £0.2m and the growth outlook for the construction side is uncertain.

THOS. W. WARD'S nationalisation programme - largely a series of disposals - has taken the strain off the group's balance sheet. Net debt has fallen to 48 per cent of shareholders' funds, against 77 per cent in September 1977, and the interest charge was £1m lower at £2.98m in 1977-78.

Wilson Walton Engineering's main claim to fame is that it was the first company to test the new issue market in 1976 after a two and a half year lull. Brought to the market by Energy, Finance and General Trust, Wilson Walton's glamorous North Sea pedigree looked impressive with pre-tax profits jumping from £10,000 to over £700,000 in just five years.

Volume on the foreign exchanges rose yesterday after the thin days of the holiday period but the markets remained as volatile as ever. It was the dollar's turn to stage a substantial recovery as very high Eurodollar rates at the European opening (a handover from the tight US market conditions of the previous day) made it most unattractive to be short of dollars.

General Instruments said that while acquisition was the most probable outcome, if the talks were successful, a joint venture between the two operations could not be ruled out.

Weather table with columns for UK TODAY, E. Anglia, E. Coast, S. and W. Midlands, N. Wales, N.W. England, N. Midlands, N.E. Most, Dry, sunny periods, Max. 20 (36F), Channel Islands, W. Country, S. Wales, Cloudy with occasional snow and strong winds, Max. 30 (37F), Lakes, IOM, S. and E. Scotland, Cent. Scotland and Ulster, Cloudy with snow showers, Max. 20 (36F), Highlands, Western Islands, Sunny periods, sleet or snow, Max. 30 (37F), Outlook: Remaining cold with more snow in places.

BUSINESS CENTRES table with columns for Yday, midday, Yday, midday, and various cities like Amsterdam, Athens, Bahrain, Bombay, Brasilia, Buenos Aires, Calcutta, Caracas, Chicago, Copenhagen, Frankfurt, Geneva, Hong Kong, London, Lyons, Madrid, Manila, Mexico City, Montreal, Moscow, Ottawa, Paris, Rome, Seoul, Singapore, Stockholm, Sydney, Taipei, Tokyo, Toronto, Vancouver, Wellington, Zurich.

Senior Financial Executives of outstanding ability. Currently Earning £15,000-£30,000. Odgers and Co. are Management Consultants specialising in executive recruitment. We are currently extending our contacts with senior executives of outstanding ability and achievement in the field of finance. We would like to hear from people aged 32-45 who feel that in developing their careers over the next few years they should not rule out the possibility of moving to a bigger job in another company.